

COMPANY REGISTRATION NUMBER SC271291

**The Cottage Family Centre  
Company Limited by Guarantee  
Trustees' Report and Unaudited  
Financial Statements  
31 March 2016**

Charity Number SC014271

THURSDAY



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25/08/2016  
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**PATERSON BOYD & Co.**  
Chartered Accountants

**The Cottage Family Centre  
Company Limited by Guarantee**

**Financial Statements**

**Year Ended 31 March 2016**

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**The Cottage Family Centre  
Company Limited by Guarantee**

**Members of the Board and Professional Advisers**

<b>Registered Charity Name</b>	The Cottage Family Centre
<b>Charity Number</b>	SC014271
<b>Company Registration Number</b>	SC271291
<b>Principal Office</b>	29-31 Cawdor Crescent Kirkcaldy Fife KY2 6LH
<b>Trustees</b>	Wilma Brown Robert Clark Ashley Fleming Marilyn Livingstone Scott McLean Carol Murray Alastair Robertson
<b>Chairperson</b>	Marilyn Livingstone
<b>Treasurer</b>	Wilma Brown
<b>Independent Examiner</b>	Neil Robson Paterson Boyd & Co 18 North Street Glenrothes Fife Scotland KY7 5NA
<b>Bankers</b>	Bank of Scotland PO Box 10 Kirkcaldy Fife KY1 3PA
<b>Solicitors</b>	Gibson & Spears, Dow & Son 9 East Fergus Place Kirkcaldy Fife KY1 1XU

# **The Cottage Family Centre Company Limited by Guarantee**

## **Trustees' Annual Report**

**Year Ended 31 March 2016**

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2016.

### **Reference and administrative details**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

### **The Trustees**

The trustees who served the charity during the period were as follows:

Wilma Brown  
Robert Clark  
Ashley Fleming  
Marilyn Livingstone  
Scott McLean  
Carol Murray  
Alastair Robertson

### **Structure, Governance and Management**

#### Governing Document

The Cottage Family Centre is a Scottish registered charity (Scottish charity number SC014271) with legal status as a company limited by guarantee and registered office at 29-31 Cawdor Crescent, Kirkcaldy, Fife, KY2 6LH.

The charity 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. In the event of the charity being wound up, the members are required to contribute an amount not exceeding £1.

#### Recruitment and Appointment of Management Committee

The committee candidates are members of the community and are elected at the Annual General Meeting. The charity endeavours to recruit members from the families who use the facilities provided.

#### Trustee Induction and Training

Quarterly strategic planning and development sessions took place for board members in 2015. These will continue in 2016.

#### Risk Assessment

The directors are continuing to update systems to identify and mitigate the major risks to which the charity is exposed.

### **Objectives and Activities**

The focus of the work on the centre is to provide a range of support to those families and individuals within family units who are vulnerable to social exclusion as a result of factors such as poverty, unemployment, poor housing, relationship breakdown, drug and alcohol problems and health related issues.

# **The Cottage Family Centre Company Limited by Guarantee**

## **Trustees' Annual Report** *(continued)*

**Year Ended 31 March 2016**

### **Organisational Structure**

The Board of Directors is responsible for the overall welfare of the organisation and is made up of parents using the service, and volunteers from other walks of life.

A service manager is responsible for the daily running of the centre. The service manager is supported by 1 part-time senior children's support worker, 5 part-time children's support workers, 1 part-time children's support assistant, 1 full-time senior family support worker, 3 part-time family support workers, 1 part-time dad's project worker, 1 part-time receptionist, 1 full-time finance officer, 1 part-time caretaker, 1 part-time cleaner, 1 part-time senior therapeutic worker, 1 part-time children's therapeutic worker and 1 part-time counsellor.

### **Achievements and Performance**

This year the directors have produced separate reports into each of the activities undertaken by the charity in order to give the relevant reader fuller insight into the operations and to assist with future funding applications by the charity. These reports are available in addition to this annual report

### **Financial Review**

The statement of financial activities shows net expenditure for the year of £29,030 (2015: income £7,753) and at 31 March 2016 total reserves stand at £601,508 (2015: £630,538) of which £129,672 (2015: £116,836) represent unrestricted funds.

The movements in fixed assets are set out in note 9 to the financial statements.

### Principal Funding Source

The principal funding sources were Fife Council, Fairer Scotland Fund, McDonald Trust, Children In Need and fundraising income.

### Investments

The directors have considered the most appropriate policy for investing funds and have found that maintaining the majority of the funds in an investment account to be the most appropriate.

### Reserves Policy

The directors have examined the requirements for reserves in light of the main risks to the organisation. They have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the organisation should be between 3 and 6 months of the expenditure.

# **The Cottage Family Centre Company Limited by Guarantee**

## **Trustees' Annual Report *(continued)***

**Year Ended 31 March 2016**

### **Responsibilities of the Board of Directors**

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard for Smaller Entities (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors are required to:-

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Independent examiner**

Neil Robson C.A. has been re-appointed as independent examiner during year, and has expressed a willingness to continue in that capacity.

### **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:  
29-31 Cawdor Crescent  
Kirkcaldy  
Fife  
KY2 6LH

Signed on behalf of the trustees

Marilyn Livingstone  
Director

*Marilyn Livingstone 17<sup>th</sup> Aug 2016*

**The Cottage Family Centre  
Company Limited by Guarantee**

**Independent Examiner's Report to the Trustees and  
Members of The Cottage Family Centre**

**Year Ended 31 March 2016**

I report on the accounts of the charity for the year ended 31 March 2016 which are set out on pages 6 to 13.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the Cottage Family Centre for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the 2006 Accounts Regulations). The charity's trustees consider that the audit requirements of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the 2005 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 the Regulation 11 of the 2006 Accounts Regulations. 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 examiner's 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, comply with the accounting requirements of section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Neil Robson C.A.  
Paterson Boyd & Co  
18 North Street  
Glenrothes  
Fife  
Scotland  
KY7 5NA

17/02/2016

**The Cottage Family Centre  
Company Limited by Guarantee**

**Statement of Financial Activities (Incorporating the  
Income and Expenditure Account)**

**Year Ended 31 March 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
<b>Income and Endowments</b>					
Donations and legacies	2	44,868	—	44,868	13,871
Income from charitable activities	3	161,238	125,950	287,188	298,459
Other trading activities	4	8,840	732	9,572	15,282
<b>Total Income</b>		<u>214,946</u>	<u>126,682</u>	<u>341,628</u>	<u>327,612</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies		—	—	—	(1,762)
Expenditure on charitable activities	5/6	(202,110)	(168,548)	(370,658)	(318,097)
<b>Total Expenditure</b>		<u>(202,110)</u>	<u>(168,548)</u>	<u>(370,658)</u>	<u>(319,859)</u>
<b>Net (Expenditure)/Income and Net Movement in Funds for the Year</b>	7	12,836	(41,866)	(29,030)	7,753
<b>Reconciliation of Funds</b>					
Total funds brought forward		<u>116,836</u>	<u>513,702</u>	<u>630,538</u>	<u>622,785</u>
<b>Total Funds Carried Forward</b>		<u>129,672</u>	<u>471,836</u>	<u>601,508</u>	<u>630,538</u>

The Statement of financial activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

The notes on pages 8 to 13 form part of these financial statements.



# The Cottage Family Centre Company Limited by Guarantee

## Balance Sheet

31 March 2016

	Note	2016 £	2015 £
<b>Fixed Assets</b>			
Tangible assets	9	455,978	486,320
<b>Current Assets</b>			
Debtors	10	7,783	41,076
Cash at bank and in hand		221,369	109,970
		229,152	151,046
<b>Creditors: Amounts Falling due Within One Year</b>	11	(83,622)	(6,828)
<b>Net Current Assets</b>		145,530	144,218
<b>Total Assets Less Current Liabilities</b>		601,508	630,538
<b>Net Assets</b>		601,508	630,538
<b>Funds of the Charity</b>			
Restricted income funds	13	471,836	513,702
Unrestricted income funds	14	129,672	116,836
<b>Total Charity Funds</b>		601,508	630,538

For the year ended 31 March 2016 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the members of the committee and authorised for issue on 17 August 2016 and are signed on their behalf by:

*Marilyn Livingstone* 17th August 2016  
Marilyn Livingstone

Company Registration Number: SC271291

The notes on pages 8 to 13 form part of these financial statements.

# **The Cottage Family Centre Company Limited by Guarantee**

## **Notes to the Financial Statements**

**Year Ended 31 March 2016**

### **1. Accounting Policies**

#### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and investments measured at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (SORP 2015).

#### **Incoming Resources**

Income from donations and grants, including capital grants, are included in incoming resources when these are receivable, except when donors specify that the donations or grants must be used in future accounting periods, or conditions are imposed, which have to be fulfilled before the charity is entitled to use such income.

#### **Resources Expended**

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered, as the charity is not VAT registered.

#### **Fund Accounting**

Funds held by the charity are either:-

- unrestricted general funds, which can be used in accordance with the charitable objectives at the discretion of the directors; or
- restricted funds, which are funds that can only be used for a particular restricted purpose within the objectives of the charity and mainly represents the building from which the charity operates.

#### **Fixed Assets**

All fixed assets are initially recorded at cost.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Buildings	-	straight line over the life of the lease (25 years)
Computer Equipment	-	straight line over 3 years
Fixtures and Fittings	-	20% reducing balance

#### **Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

# The Cottage Family Centre Company Limited by Guarantee

## Notes to the Financial Statements

Year Ended 31 March 2016

### 1. Accounting Policies *(continued)*

#### Pension Costs

The charity participates in a defined contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

### 2. Donations and Legacies

	Unrestricted Funds £	Total Funds 2016 £	Unrestricted Funds £	Total Funds 2015 £
<b>Donations</b>				
Donations	44,868	44,868	13,871	13,871

### 3. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Fife Council	154,154	51,634	205,788
Fairer Scotland Fund	7,084	48,865	55,949
McDonald Trust	—	11,788	11,788
Children In Need	—	13,663	13,663
Early Years	—	—	—
	<u>161,238</u>	<u>125,950</u>	<u>287,188</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £
Fife Council	134,404	51,633	186,037
Fairer Scotland Fund	7,084	48,865	55,949
McDonald Trust	—	34,773	34,773
Children In Need	—	16,700	16,700
Early Years	—	5,000	5,000
	<u>141,488</u>	<u>156,971</u>	<u>298,459</u>

**The Cottage Family Centre  
Company Limited by Guarantee**

**Notes to the Financial Statements**

**Year Ended 31 March 2016**

**4. Other Trading Activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2016 £</b>
Crèche income	–	156	156
Room hire	8,840	576	9,416
Other income	–	–	–
	<u>8,840</u>	<u>732</u>	<u>9,572</u>

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2015 £</b>
Crèche income	252	–	252
Room hire	9,174	1,650	10,824
Other income	1,251	2,955	4,206
	<u>10,677</u>	<u>4,605</u>	<u>15,282</u>

**5. Costs of Charitable Activities by Fund Type**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2016 £</b>
The Cottage Family Centre	191,201	167,906	359,109
Support costs	10,909	642	11,549
	<u>202,110</u>	<u>168,548</u>	<u>370,658</u>

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2015 £</b>
The Cottage Family Centre	141,030	168,621	309,651
Support costs	8,052	394	8,446
	<u>149,082</u>	<u>169,015</u>	<u>318,097</u>

**6. Costs of Charitable Activities by Activity Type**

	<b>Activities undertaken directly £</b>	<b>Total Funds 2016 £</b>	<b>Total Funds 2015 £</b>
The Cottage Family Centre	359,109	359,109	309,651
Governance costs	–	11,549	8,446
	<u>359,109</u>	<u>370,658</u>	<u>318,097</u>

# The Cottage Family Centre Company Limited by Guarantee

## Notes to the Financial Statements

**Year Ended 31 March 2016**

### 7. Net (Outgoing)/Incoming Resources for the Year

This is stated after charging:

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Staff pension contributions	206	685
Depreciation	36,346	35,812
Operating lease costs:		
- Plant and machinery	<u>2,293</u>	<u>914</u>

### 8. Staff Costs and Emoluments

Total staff costs were as follows:

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Wages and salaries	223,886	196,730
Social security costs	13,243	9,801
Other pension costs	206	685
	<u>237,335</u>	<u>207,216</u>

#### Particulars of employees:

The total number of employees during the year, by function was as follows:

	<b>2016</b>	2015
	<b>No.</b>	<b>No.</b>
Support	15	15
Administration	<u>1</u>	<u>1</u>
	<u>16</u>	<u>16</u>

The directors received no remuneration in the year and received no reimbursement of expenses from the charity.

In the year under review the insurance policy premium paid includes insurance to indemnify the voluntary directors against the consequences of any neglect or default on their part.

No employee received remuneration of more than £60,000 during the year (2015 - Nil).

**The Cottage Family Centre  
Company Limited by Guarantee**

**Notes to the Financial Statements**

**Year Ended 31 March 2016**

**9. Tangible Fixed Assets**

	<b>Buildings £</b>	<b>Computer Equipment £</b>	<b>Fixtures and Fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2015	781,459	17,786	62,394	861,639
Additions	—	290	5,713	6,003
<b>At 31 March 2016</b>	<u>781,459</u>	<u>18,076</u>	<u>68,107</u>	<u>867,642</u>
<b>Depreciation</b>				
At 1 April 2015	310,636	16,455	48,228	375,319
Charge for the year	31,258	1,111	3,976	36,345
<b>At 31 March 2016</b>	<u>341,894</u>	<u>17,566</u>	<u>52,204</u>	<u>411,664</u>
<b>Net Book Value</b>				
<b>At 31 March 2016</b>	<u>439,565</u>	<u>510</u>	<u>15,903</u>	<u>455,978</u>
At 31 March 2015	<u>470,823</u>	<u>1,331</u>	<u>14,166</u>	<u>486,320</u>

A standard security over the building is held by The National Lotteries Charities Board, 1 Plough Lane, London EC4 1DE.

**10. Debtors**

	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	1,577	2,946
Prepayments	6,206	38,130
	<u>7,783</u>	<u>41,076</u>

**11. Creditors: Amounts falling due within one year**

	<b>2016 £</b>	<b>2015 £</b>
Trade creditors	2,715	1,264
PAYE and social security	13,486	—
Other creditors	110	378
Accruals and deferred income	67,311	5,186
	<u>83,622</u>	<u>6,828</u>

# The Cottage Family Centre Company Limited by Guarantee

## Notes to the Financial Statements

**Year Ended 31 March 2016**

### 12. Commitments under Operating Leases

At 31 March 2016 the charity had annual commitments under non-cancellable operating leases as set out below.

	<b>Assets other than Land and buildings</b>	
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Operating leases which expire:</b>		
Within 2 to 5 years	-	<u>1,222</u>

### 13. Restricted Income Funds

	<b>Balance at 1 Apr 2015</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 31 Mar 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General Restricted Fund	<u>513,702</u>	<u>126,682</u>	<u>(168,548)</u>	<u>471,836</u>

### 14. Unrestricted Income Funds

	<b>Balance at 1 Apr 2015</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance at 31 Mar 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General Funds	<u>116,836</u>	<u>214,946</u>	<u>(202,110)</u>	<u>129,672</u>

### 15. Analysis of Net Assets Between Funds

	<b>Tangible fixed assets</b>	<b>Net current assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted Income Funds:</b>			
General Restricted Fund	439,758	32,078	471,836
<b>Unrestricted Income Funds</b>	<u>16,220</u>	<u>113,452</u>	<u>129,672</u>
<b>Total Funds</b>	<u>455,978</u>	<u>145,530</u>	<u>601,508</u>

### 16. Related Party Transactions

For the whole of the financial year the charity was under the control of its directors, who are detailed on page 1 of these financial statements.

### 17. Company Limited by Guarantee

The company was formed as a company limited by guarantee without share capital. It remains a company limited by guarantee and continues without share capital. Each member of the company has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the company being placed in liquidation. At the balance sheet date there were 7 members.