

Company Reg No: SC271291

The Cottage Family Centre

(A company limited by guarantee)

Directors' report and unaudited financial statements

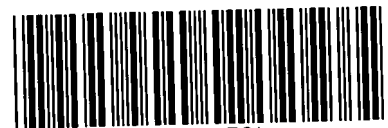
for the year ended 31 March 2014

Scottish Charity No: SC014271

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COMPANIES HOUSE

PATERSON BOYD & Co.
Chartered Accountants

The Cottage Family Centre
Financial Statements
for the year ended 31 March 2014

Contents

	Page
Charity Information	1
Directors' Report	2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5-6
Notes to the Financial Statements	7-11

The Cottage Family Centre
Charity Information
for the year ended 31 March 2014

Scottish Charity Number	SC014271
Company Registration Number	SC271291
Registered Office	29-31 Cawdor Crescent Kirkcaldy Fife KY2 6LH
Chairperson	Marilyn Livingstone
Treasurer	Wilma Brown
Directors	Robert Clark Ashley Fleming Ann Millar Carol Murray Scott McLean (appointed 14 April 2014)
Secretary	Margaret Ednie (resigned 12 February 2014)
Bankers	Bank of Scotland Po Box 10 Kirkcaldy Fife KY1 3PA
Solicitors	Gibson & Spears, Dow & Son 9 East Fergus Place Kirkcaldy Fife KY1 1XU
Independent Examiner	Neil Robson Paterson Boyd & Co Chartered Accountants 18 North Street Glenrothes Fife KY7 5NA

The Cottage Family Centre
Directors' Report
for the year ended 31 March 2014

The directors are pleased to present their report together with the unaudited financial statements of the charity for the year ended 31 March 2014.

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 endeavors 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 2013. These will continue in 2014.

Objects

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.

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.

Financial Review

The statement of financial activities shows net income for the year of £10,800 (2013: deficit of £31,994) and the balance sheet at 31 March 2014 shows total funds of £622,785 (2013: £611,985).

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

Achievements, Performance and Future Plans

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.

Risk Assessment

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

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
Directors' Report
for the year ended 31 March 2014

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.

Principle Funding Source

The principle funding sources were Fife Council, Fairer Scotland Fund, Big Lottery Fund, McDonald Trust and fundraising income.

Responsibilities of the Board of Directors

The trustees (who are also directors of The Cottage 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 charitable company will continue on that basis.

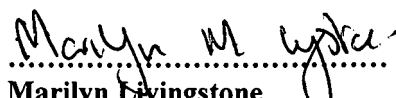
The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) 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.

Accountants

Paterson Boyd & Co were re-appointed as the charitable company's accountants during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice in Accounting and Reporting Charities (issued March 2005) and the special provisions of Part 15 of the Companies Act 2006 relating to small entities and also in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006 (as amended).

Signed on behalf of the board:



Marilyn Livingstone
Director

Date: 14 November 2014

The Cottage Family Centre
Independent examiner's report to the members on the
unaudited financial statements of
The Cottage Family Centre

I report on the financial statements for the year ended 31 March 2014 set out on pages 4 to 11. The financial statements have been prepared under the historic cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and independent examiner

The charity's directors are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements 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 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the directors 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 financial statements.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

a) 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 financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Neil Robson C.A.
Chartered Accountants
18 North Street
Glenrothes
Fife
KY7 5NA

Date: 14 November 2014

The Cottage Family Centre
Statement of Financial Activities
(incorporating income and expenditure account)
for the year ended 31 March 2014

	Notes	Unrestricted Funds General £	Restricted Funds General Family Ties £	Total 2014 £	Total 2013 £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Donations		15,488	-	15,488	12,342
<i>Activities for generating funds</i>					
Fundraising income		17,936	-	17,936	17,178
Other incoming resources		190	1,019	1,209	3,512
Incoming resources from charitable activities:	3	154,210	81,393	263,574	218,702
Total incoming resources		<u>187,824</u>	<u>82,412</u>	<u>298,207</u>	<u>251,734</u>
Resources expended					
Costs of generating funds		605	-	605	-
Charitable activities	4	130,807	108,914	277,347	263,103
Governance costs	5	7,973	200	9,455	20,625
Total resources expended		<u>139,385</u>	<u>109,114</u>	<u>287,407</u>	<u>283,728</u>
Net income/(expenditure) for the year		48,439	(26,702)	10,800	(31,994)
Funds brought forward at 1 April 2013	12	52,342	531,500	611,985	643,979
Funds carried forward at 31 March 2014	12	<u>100,781</u>	<u>504,798</u>	<u>622,785</u>	<u>611,985</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The Cottage Family Centre
Balance Sheet
as at 31 March 2014

	Notes	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	9		520,756		552,878
Current assets					
Debtors	10	6,822		6,796	
Cash at bank and in hand		149,216		63,474	
		156,038		70,270	
Creditors: amounts falling due within one year	11	(54,009)		(11,163)	
Net current assets			102,029		59,107
Total assets less current liabilities			<u>622,785</u>		<u>611,985</u>
Represented by:-					
Unrestricted funds					
General funds	12	100,781		52,342	
			100,781		52,342
Restricted funds					
Family Ties	12	17,206		28,143	
General	12	504,798		531,500	
			522,004		559,643
Total funds	12		<u>622,785</u>		<u>611,985</u>

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

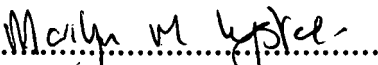
The Cottage Family Centre
Balance Sheet (continued)
Directors' statements required by Section 249B(4)
for the year ended 31 March 2014

In approving these financial statements as directors of the company we hereby confirm:-

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 477(2) of the Companies Act 2006;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 476 requesting that an audit be conducted for the year ended 31 March 2014 and
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps accounting records which comply with Section 386, and
 - (2) 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 surplus or deficit for the year then ended in accordance with the requirements of Section 393 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Board on 14 November 2014 and signed on its behalf by


.....
Marilyn Livingstone
Director

The notes on pages 7 to 11 form an integral part of these financial statements.

The Cottage Family Centre
Notes to the Financial Statements
for the year ended 31 March 2014

1. Accounting Policies

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to small companies, the Charities and Trustee Investment (Scotland) Act 2005, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standards for Smaller Entities (effective April 2008) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued March 2005.

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.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives 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

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.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Pensions

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

The Cottage Family Centre
Notes to the Financial Statements
for the year ended 31 March 2014

2. Directors and Employees

No employees earned in excess of £60,000 per annum. 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.

3. Incoming Resources from Charitable Activities

	Unrestricted Funds General £	Restricted Funds General Family Ties £	Total 2014 £	Total 2013 £
Grants Received				
Fife Council	154,210	4,975	159,185	120,475
Fairer Scotland Fund	-	55,949	55,949	45,000
Big Lottery Fund	-	-	27,971	44,136
NHS Fife	-	5,315	5,315	-
McDonald Trust	-	14,154	14,154	7,500
Community Health & Food	-	1,000	1,000	1,591
	<u>154,210</u>	<u>81,393</u>	<u>263,574</u>	<u>218,702</u>

4. Charitable Activities

	Basis of Allocation	Unrestricted Funds General £	Restricted Funds General Family Ties £	Total 2014 £	Total 2013 £
Wages and salaries	Direct	72,996	59,411	160,158	145,769
Social security	Direct	9,432	-	9,432	8,685
Pension costs	Direct	59	-	455	1,784
Staff training	Direct	1,102	-	1,102	63
Rent and rates	Direct	1,501	600	5,181	5,030
Insurances	Direct	3,320	-	138	3,458
Heat and light	Direct	3,429	1,400	987	5,816
Cleaning	Direct	1,772	-	-	1,772
Repairs and renewals	Direct	5,884	-	-	5,884
Travel expenses	Direct	885	1,245	274	2,404
Provisions	Direct	8,729	2,983	662	12,374
Group activities	Direct	737	8,715	37	9,489
Office equipment lease	Direct	1,701	1,019	-	2,720
Crèche expenses	Direct	4,451	374	2,376	7,201
Printing, postage & stationery	Direct	3,444	600	26	4,070
Telephone	Direct	1,459	400	642	2,501
Depreciation	Direct	5,501	31,258	134	36,893
General expenses	Direct	2,929	60	-	2,989
Computer costs	Direct	1,060	-	-	1,060
Mums/dads group activities	Direct	-	-	-	-
Loss on disposal of assets	Direct	-	316	-	316
Bank charges	Direct	59	-	-	59
Advertising	Direct	-	-	713	713
Supervision	Direct	357	533	410	1,300
		<u>130,807</u>	<u>108,914</u>	<u>37,626</u>	<u>277,347</u>
				<u>277,347</u>	<u>263,103</u>

The Cottage Family Centre
Notes to the Financial Statements
for the year ended 31 March 2014

5. Governance Costs

	Basis of Allocation	Unrestricted Funds General £	Restricted Funds General Family Ties £ £		Total 2014 £	Total 2013 £
Legal and professional fees	Direct	3,203	-	1,282	4,485	9,903
Accountancy fees	Direct	4,770	200	-	4,970	10,722
		<u>7,973</u>	<u>200</u>	<u>1,282</u>	<u>9,455</u>	<u>20,625</u>

6. Movement in total funds for the year

	2014 £	2013 £
This is stated after charging:		
Independent Examiner's fee	1,500	1,680
Accountancy fees	3,470	9,042
Depreciation	<u>36,893</u>	<u>36,844</u>

7. Staff and Related Costs

	2014 £	2013 £
Salaries	160,158	145,769
Social security costs	9,432	8,685
Pension costs	455	1,784
	<u>170,045</u>	<u>156,238</u>

The total number of employees, by function was:

Support	12	12
Administration	1	1
	<u>13</u>	<u>13</u>

8. Pension Costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £455 (2013: £1,784).

The Cottage Family Centre
Notes to the Financial Statements
for the year ended 31 March 2014

9. Tangible Fixed Assets

	Computer Equipment £	Fixtures & Fittings £	Buildings £	Totals £
Costs				
At 1 April 2013	15,631	59,590	781,459	856,680
Additions	2,092	2,995	-	5,087
Disposals	(887)	(617)	-	(1,504)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	<u>16,836</u>	<u>61,968</u>	<u>781,459</u>	<u>860,263</u>
Depreciation				
At 1 April 2013	15,018	40,664	248,120	303,802
Charge for the year	1,311	4,324	31,258	36,893
Disposals	(887)	(301)	-	(1,188)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2014	<u>15,442</u>	<u>44,687</u>	<u>279,378</u>	<u>339,507</u>
Net book values				
At 31 March 2014	<u>1,394</u>	<u>17,281</u>	<u>502,081</u>	<u>520,756</u>
At 1 April 2013	<u>613</u>	<u>18,926</u>	<u>533,339</u>	<u>552,878</u>

A standard security over the building is held by The National Lotteries Charities Board, 1 Plough Lane, London EC4A 1DE.

10. Debtors

	2014 £	2013 £
Trade debtors	6,558	5,312
Other debtors	-	1,269
Prepayments and accrued income	264	215
	<hr/>	<hr/>
	<u>6,822</u>	<u>6,796</u>

11. Creditors: amounts falling due within one year

	2014 £	2013 £
Trade creditors	2,619	-
Other taxes and social security costs	18	3,512
Accruals and deferred income	51,184	3,756
Other creditors	188	3,895
	<hr/>	<hr/>
	<u>54,009</u>	<u>11,163</u>

The Cottage Family Centre
Notes to the Financial Statements
for the year ended 31 March 2014

12. Funds

	Unrestricted Funds	Restricted Funds		Total	Total
	General	General	Family Ties	2014	2013
	£	£	£	£	£
Balance at 1 April 2013	52,342	531,500	28,143	611,985	643,979
Incoming resources	187,824	82,412	27,971	298,207	251,734
Outgoing resources	(139,385)	(109,114)	(38,908)	(287,407)	(283,728)
	<u>100,781</u>	<u>504,798</u>	<u>17,206</u>	<u>622,785</u>	<u>611,985</u>
Balance at 31 March 2014	<u>100,781</u>	<u>504,798</u>	<u>17,206</u>	<u>622,785</u>	<u>611,985</u>

Represented by:

Tangible fixed assets	18,676	502,080	-	520,756	552,878
Net current assets	82,105	2,718	17,206	102,029	59,107
	<u>100,781</u>	<u>504,798</u>	<u>17,206</u>	<u>622,785</u>	<u>611,985</u>

The Family Ties restricted fund balance carried forward represents the balance of funding received from the Big Lottery Fund.

The general restricted fund comprises the building from where the charity operates. Also included within the general restricted fund is funding received from the McDonald Trust.

13. 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.

14. 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 8 members.

15. Leasing Commitments

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:-

	2014	2013
	£	£
Expiry date:		
Between 1 and 5 years	<u>1,227</u>	<u>576</u>