

COMPANY REGISTRATION NUMBER: SC271291

CHARITY REGISTRATION NUMBER: SC014271

**The Cottage Family Centre
Company Limited by Guarantee
Financial Statements
31 March 2021**

18 North Street
GLENROTHES
Fife
KY7 5NA
Tel No: 01592 610388

8 Mitchell Street
LEVEN
Fife
KY8 4HJ
Tel No: 01333 425250

TUESDAY



SAJU1BV7

SCT

21/12/2021

#91

COMPANIES HOUSE

PATERSON BOYD & Co.
Chartered Accountants

The Cottage Family Centre
Company Limited by Guarantee
Financial Statements
Year Ended 31 March 2021

	Page
Trustees' Annual Report (Incorporating the Directors' Report)	1
Independent Auditor's Report to the Members	5
Statement of Financial Activities (Including Income and Expenditure Account)	11
Statement of Financial Position	12
Statement of Cash Flows	13
Notes to the Financial Statements	14
The Following Pages Do Not Form Part of the Financial Statements	
Detailed Statement of Financial Activities	25
Notes to the Detailed Statement of Financial Activities	27

The Cottage Family Centre

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year Ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name	The Cottage Family Centre	
Charity registration number	SC014271	
Company registration number	SC271291	
Principal office and registered office	29-31 Cawdor Crescent Kirkcaldy Fife KY2 6LH	
The trustees	Wilma Brown Roslyn Henderson Marilyn Livingstone Angela Marie Marry Carol Monaghan Sally McKenzie Ann Oliver	
		(Appointed 10 March 2021)
		(Appointed 10 March 2021)

Key management personnel

Strategic Manager	Pauline Buchan
Assistant Manager	Kelly Rodgers
Auditor	Paterson Boyd & Co Limited Chartered Accountants & Statutory Auditor 18 North Street Glenrothes Fife KY7 5NA
Bankers	Bank of Scotland PO Box 10 Kirkcaldy Fife KY1 3PA
Solicitors	Boyd Legal Limited 9 East Fergus Place Kirkcaldy Fife KY1 1XU

The Cottage Family Centre

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 March 2021

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

Strategic planning and development sessions continued to take place throughout the year.

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 of 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 Strategic Manager is responsible for the daily running of both centres. The Strategic Manager is supported by 2 full-time Team Managers, 1 part time Children's Service Lead Worker, 4 part-time Children's Wellbeing and Development Workers, 2 part-time Infant Parenting Practitioners 1 full-time Family Service Lead Worker, 5 part-time Family Support and Development Workers, 1 full-time Children's Therapeutic Coordinator, 3 part-time Children's Therapeutic Workers, 1 Counsellor, 1 part-time Dad's Project Worker, 1 part-time Business and Finance Support Worker, 1 full-time Business Support Assistant and 1 part-time Business Support Assistant, 2 part-time Domestic.

The Cottage Family Centre

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 March 2021

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 income for the year of £70,478 (2020: net expenditure of £6,129) and at 31 March 2021 total reserves stand at £657,936 (2020: £587,458) of which £148,434 (2020: £110,991) represent unrestricted funds.

The movements in fixed assets are set out in note 18 to the financial statements.

Principal Funding Source

The principal funding sources were Fife Council, Fairer Scotland Fund, Forth One Cash for Kids, The National Lottery Community Fund, Northwood Charitable Trust, R S MacDonald Charitable Trust, Cattnach Charitable Trust, Briggs Marine 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, this target is currently being met as around 3 months' worth of expenditure is being held in unrestricted funds.

Plans for future periods

The new St Clair Street centre in the Kirkcaldy East area continues to be developed within the pandemic restrictions affecting the charity, and it is envisaged this new centre will be fully functional in the coming year.

Trustees' responsibilities statement

The trustees, who are also directors 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 (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 the incoming resources and application of resources, including the income and expenditure, for that period.

The Cottage Family Centre

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 March 2021

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

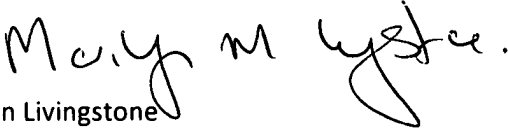
- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

A resolution to reappoint Paterson Boyd & Co Limited as auditors will be proposed at the forthcoming Annual General Meeting.

Small company provisions

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

The trustees' annual report (incorporating the directors' report) was approved on 17 December 2021 and signed on behalf of the board of trustees by:


Marilyn Livingstone
Trustee

The Cottage Family Centre

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Cottage Family Centre

Year Ended 31 March 2021

Opinion

We have audited the financial statements of The Cottage Family Centre (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

The Cottage Family Centre

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Cottage Family Centre *(continued)*

Year Ended 31 March 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other matter

The 2020 comparative figures in the financial statements are unaudited as no audit was carried out in the prior year.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

The Cottage Family Centre

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Cottage Family Centre *(continued)*

Year Ended 31 March 2021

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The Cottage Family Centre

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Cottage Family Centre *(continued)*

Year Ended 31 March 2021

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and sector, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulations and prohibited business practices, and we considered that the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance including the Board.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Identifying and testing journal entries based on risk criteria.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Testing transactions entered into outside of normal course of operation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

The Cottage Family Centre

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Cottage Family Centre *(continued)*

Year Ended 31 March 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Cottage Family Centre

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Cottage Family Centre *(continued)*

Year Ended 31 March 2021

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Robson B.Sc. C.A. (Senior Statutory Auditor)

For and on behalf of
Paterson Boyd & Co Limited
Chartered Accountants & Statutory Auditor
18 North Street
Glenrothes
Fife
KY7 5NA

Paterson Boyd & Co Limited are eligible to act as auditors under the terms of Section 1212 of the Companies Act 2006.

17 December 2021

The Cottage Family Centre

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 March 2021

		Unrestricted funds	2021 Restricted funds	Total funds	2020 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	151,269	–	151,269	86,192
Charitable activities	6	193,383	306,639	500,022	402,854
Other trading activities	7	4,334	–	4,334	9,523
Investment income	8	–	–	–	1
Total income		<u>348,986</u>	<u>306,639</u>	<u>655,625</u>	<u>498,570</u>
Expenditure					
Expenditure on charitable activities	9,10	311,248	273,604	584,852	503,779
Other expenditure	12	295	–	295	920
Total expenditure		<u>311,543</u>	<u>273,604</u>	<u>585,147</u>	<u>504,699</u>
Net income/(expenditure) and net movement in funds		<u>37,443</u>	<u>33,035</u>	<u>70,478</u>	<u>(6,129)</u>
Reconciliation of funds					
Total funds brought forward		110,991	476,467	587,458	593,587
Total funds carried forward		<u>148,434</u>	<u>509,502</u>	<u>657,936</u>	<u>587,458</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 27 form part of these financial statements.

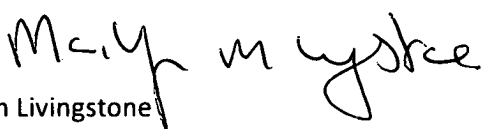
The Cottage Family Centre
Company Limited by Guarantee
Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	18	317,036	346,801
Current Assets			
Debtors	19	4,794	3,945
Cash at bank and in hand		351,061	240,954
		<u>355,855</u>	<u>244,899</u>
Creditors: amounts falling due within one year	20	<u>14,955</u>	<u>4,242</u>
Net Current Assets		<u>340,900</u>	<u>240,657</u>
Total Assets Less Current Liabilities		<u>657,936</u>	<u>587,458</u>
Net Assets		<u>657,936</u>	<u>587,458</u>
Funds of the Charity			
Restricted funds		509,502	476,467
Unrestricted funds		148,434	110,991
Total charity funds	23	<u>657,936</u>	<u>587,458</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 17 December 2021, and are signed on behalf of the board by:


Marilyn Livingstone
Trustee

The notes on pages 14 to 27 form part of these financial statements.

The Cottage Family Centre

Company Limited by Guarantee

Statement of Cash Flows

Year Ended 31 March 2021

	2021 £	2020 £
Cash Flows from Operating Activities		
Net income/(expenditure)	70,478	(6,129)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	44,079	46,191
Government grant income	(1,061)	–
Other interest receivable and similar income	–	(1)
Loss on disposal of tangible fixed assets	295	920
Accrued expenses/(income)	2,470	(585)
<i>Changes in:</i>		
Trade and other debtors	(849)	927
Trade and other creditors	8,243	(1,581)
Cash generated from operations	123,655	39,742
Interest received	–	1
Net cash from operating activities	<u>123,655</u>	<u>39,743</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(14,609)	(28,644)
Net cash used in investing activities	<u>(14,609)</u>	<u>(28,644)</u>
Cash Flows from Financing Activities		
Government grant income	1,061	–
Net cash from financing activities	<u>1,061</u>	<u>–</u>
Net Increase in Cash and Cash Equivalents	110,107	11,099
Cash and Cash Equivalents at Beginning of Year	240,954	229,855
Cash and Cash Equivalents at End of Year	<u>351,061</u>	<u>240,954</u>

The notes on pages 14 to 27 form part of these financial statements.

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 29-31 Cawdor Crescent, Kirkcaldy, Fife, KY2 6LH.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

The Cottage Family Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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 withing the objectives of the charity and mainly represents the building from which the charity operates.

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

Income

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.

Expenditure

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.

Operating Leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

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

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial Instruments

The 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 measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. 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 6 members.

5. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	150,208	–	150,208
Grants			
Government grant income	1,061	–	1,061
	<u>151,269</u>	<u>–</u>	<u>151,269</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	84,597	1,595	86,192
Grants			
Government grant income	—	—	—
	<u>84,597</u>	<u>1,595</u>	<u>86,192</u>

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fife Council	119,548	128,540	248,088
Fairer Scotland Fund	—	54,835	54,835
MacDonald Trust	—	11,577	11,577
Forth One Cash for Kids	63,835	—	63,835
Cattanach Trust	—	—	—
North Wood Trust	—	20,000	20,000
Big Lottery	—	—	—
William Grant Foundation	10,000	—	10,000
Energy Redress	—	27,687	27,687
Greener Kirkcaldy	—	60,000	60,000
STV Appeal	—	4,000	4,000
	<u>193,383</u>	<u>306,639</u>	<u>500,022</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Fife Council	116,048	128,540	244,588
Fairer Scotland Fund	—	54,835	54,835
MacDonald Trust	—	19,362	19,362
Forth One Cash for Kids	—	9,850	9,850
Cattanach Trust	—	12,000	12,000
North Wood Trust	—	15,000	15,000
Big Lottery	—	47,219	47,219
William Grant Foundation	—	—	—
Energy Redress	—	—	—
Greener Kirkcaldy	—	—	—
STV Appeal	—	—	—
	<u>116,048</u>	<u>286,806</u>	<u>402,854</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

7. Other Trading Activities

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Room hire	<u>4,334</u>	<u>4,334</u>	<u>9,523</u>	<u>9,523</u>

8. Investment Income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Bank interest receivable	<u>—</u>	<u>—</u>	<u>1</u>	<u>1</u>

9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Charitable activities	296,770	273,418	570,188
Support costs	<u>14,478</u>	<u>186</u>	<u>14,664</u>
	<u>311,248</u>	<u>273,604</u>	<u>584,852</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Charitable activities	212,159	277,544	489,703
Support costs	<u>13,946</u>	<u>130</u>	<u>14,076</u>
	<u>226,105</u>	<u>277,674</u>	<u>503,779</u>

10. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Charitable activities	570,188	6,004	576,192	496,366
Governance costs	<u>—</u>	<u>8,660</u>	<u>8,660</u>	<u>7,413</u>
	<u>570,188</u>	<u>14,664</u>	<u>584,852</u>	<u>503,779</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

11. Analysis of Support Costs

	Analysis of support costs	Total 2021	Total 2020
	£	£	£
Governance costs	8,660	8,660	7,413
Legal and professional fees	6,004	6,004	6,663
	<u>14,664</u>	<u>14,664</u>	<u>14,076</u>

12. Other Expenditure

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	<u>295</u>	<u>295</u>	<u>920</u>	<u>920</u>

13. Net Income/(Expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	44,079	46,191
Loss on disposal of tangible fixed assets	295	920
Operating lease rentals	<u>1,869</u>	<u>1,552</u>

14. Auditors Remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>4,200</u>	<u>-</u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	<u>4,460</u>	<u>-</u>

15. Independent Examination Fees

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	-	1,110
Other financial services	-	6,303
	<u>-</u>	<u>7,413</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

16. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	305,036	316,970
Social security costs	13,480	16,285
Employer contributions to pension plans	2,939	3,921
	<u>321,455</u>	<u>337,176</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.

The average head count of employees during the year was 23 (2020: 23). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Support	13	11
Administration	2	1
	<u>15</u>	<u>12</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £72,626 (2020:£67,701).

17. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

18. Tangible Fixed Assets

	Buildings £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost				
At 1 Apr 2020	781,459	66,872	26,291	874,622
Additions	–	5,455	9,154	14,609
Disposals	–	(1,789)	–	(1,789)
At 31 Mar 2021	<u>781,459</u>	<u>70,538</u>	<u>35,445</u>	<u>887,442</u>
Depreciation				
At 1 Apr 2020	466,928	42,209	18,684	527,821
Charge for the year	31,259	5,967	6,853	44,079
Disposals	–	(1,494)	–	(1,494)
At 31 Mar 2021	<u>498,187</u>	<u>46,682</u>	<u>25,537</u>	<u>570,406</u>
Carrying amount				
At 31 Mar 2021	<u>283,272</u>	<u>23,856</u>	<u>9,908</u>	<u>317,036</u>
At 31 Mar 2020	<u>314,531</u>	<u>24,663</u>	<u>7,607</u>	<u>346,801</u>

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

19. Debtors

	2021 £	2020 £
Trade debtors	4,794	3,595
Prepayments and accrued income	–	350
	<u>4,794</u>	<u>3,945</u>

20. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,144	409
Accruals and deferred income	4,200	1,730
Social security and other taxes	6,717	–
Other creditors	2,894	2,103
	<u>14,955</u>	<u>4,242</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

21. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,939 (2020: £3,921).

22. Government Grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>1,061</u>	<u>–</u>

23. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 2020	Income	Expenditure	At 31 Mar 2021
	£	£	£	£
Unrestricted Fund	<u>110,991</u>	<u>348,986</u>	<u>(311,543)</u>	<u>148,434</u>

	At 1 Apr 2019	Income	Expenditure	At 31 Mar 2020
	£	£	£	£
Unrestricted Fund	<u>127,847</u>	<u>210,169</u>	<u>(227,025)</u>	<u>110,991</u>

Restricted funds

	At 1 Apr 2020	Income	Expenditure	At 31 Mar 2021
	£	£	£	£
General Restricted Fund	<u>476,467</u>	<u>306,639</u>	<u>(273,604)</u>	<u>509,502</u>

	At 1 Apr 2019	Income	Expenditure	At 31 Mar 2020
	£	£	£	£
General Restricted Fund	<u>465,740</u>	<u>288,401</u>	<u>(277,674)</u>	<u>476,467</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2021

24. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	24,244	292,792	317,036
Current assets	134,300	221,555	355,855
Creditors less than 1 year	(10,109)	(4,846)	(14,955)
Net assets	148,435	509,501	657,936

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	20,132	326,669	346,801
Current assets	91,660	153,239	244,899
Creditors less than 1 year	(801)	(3,441)	(4,242)
Net assets	110,991	476,467	587,458

25. Analysis of Changes in Net Debt

	At 1 Apr 2020 £	Cash flows £	At 31 Mar 2021 £
Cash at bank and in hand	240,954	110,107	351,061

26. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	350	–
Later than 1 year and not later than 5 years	700	–
	<u>1,050</u>	<u>–</u>

27. Related Parties

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.