

COMPANY REGISTRATION NUMBER: SC271291
CHARITY REGISTRATION NUMBER: SC014271

The Cottage Family Centre
Company Limited by Guarantee
Financial Statements
31 March 2023



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PB AUDIT LIMITED
REGISTERED AUDITORS

The Cottage Family Centre
Company Limited by Guarantee
Financial Statements
Year Ended 31 March 2023

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The Cottage Family Centre

Company Limited by Guarantee

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

Year Ended 31 March 2023

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 2023.

Chair's report

The Cottage Family Centre continues to offer support to vulnerable families within Kirkcaldy and the surrounding areas of Fife. Our wide-ranging provision continues to offer high quality services to those who need them most and sees our reputation as an organisation growing year on year.

It has been an immense honour and privilege to have acted as Chairperson and Vice Chairperson over the past few years and I look forward to working with the Board, staff and our partners over what will be a another very challenging year as more and more families are impacted by poverty, trauma and other significant challenges. I hope this year will see us stronger and in a position to work even more closely together with our partners to rebuild and support our communities.

The Cottage's strength lies within its staff, its supporters and partner organisations who have supported us over the years, but I think a massive thank you needs to be given to everyone who has supported us this year. It has been humbling to see the support that we have had from the community at large considering the difficulties that individuals and organisations have been facing.

We look forward to progressing our services and projects so that we can continue to provide the high standards of care and support to those in our communities who need us most.

The Cottage Family Centre

Company Limited by Guarantee

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

Year Ended 31 March 2023

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	(Resigned 20 April 2023)
	Roslyn Henderson	
	Marilyn Livingstone	
	Angela Marry	(Resigned 22 August 2022)
	Sally McKenzie	
	Ann Oliver	(Resigned 13 September 2022)
	Angus Hogg	(Appointed 22 August 2022)
Robert Bridle	(Appointed 04 April 2023)	

Key management personnel

Strategic Manager	Pauline Buchan
Assistant Manager	Kelly Rodgers

Auditor PB Audit Limited
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA

Bankers Bank of Scotland
PO Box 10
Kirkcaldy
Fife
KY1 3PA

Solicitors Gibson & Spears, Dow & Son
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 2023

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 organisation has robust management processes in place which are regularly reviewed by the Board of Directors and the senior management team to manage any risks, this includes a business continuity plan.

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, 2 part time Children's Service coordinators, 5 part-time Children's Wellbeing and Development Workers, 1 part-time Infant Parenting Practitioner, 1 full-time Family Service Lead Worker, 5 part-time Family Support and Development Workers, 1 full-time Children's Therapeutic Coordinator, 2 part-time Children's Therapeutic Workers, 1 part-time Dad's Project Worker, 1 full-time Business and Finance Support Worker, 2 full-time Business Support Assistant, 1 warehouse manager, 1 logistics coordinator, 4 warehouse operatives and 3 part-time Domestic.

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

Year Ended 31 March 2023

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 £175,247 (2022: £168,069) and at 31 March 2023 total reserves stand at £1,001,252 (2022: £826,005) of which £154,963 (2022: £147,806) represent unrestricted funds.

The movements in fixed assets are set out in note 16 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, Cattanach 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.

Plans for future periods

We will continue to enhance the support offered across our services and Big Hoose Project encouraging further support from retailers and businesses to increase the living standards of children and families.

The Cottage Family Centre

Company Limited by Guarantee

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

Year Ended 31 March 2023

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.

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 PB Audit Limited as auditors will be proposed at the forthcoming Annual General Meeting.

The Cottage Family Centre

Company Limited by Guarantee

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

Year Ended 31 March 2023

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 8 November 2023 and signed on behalf of the board of trustees by:

Marilyn Livingstone

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 2023

Opinion

We have audited the financial statements of The Cottage Family Centre (the 'charity') for the year ended 31 March 2023 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 2023 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 2023

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.

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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustees' annual report, and from the requirements to prepare a strategic 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 2023

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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 industry, 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 and those charged with governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with governance including the Board.

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 2023

- 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 business.
- Investigated the rationale behind significant or unusual transactions.
- Reviewed accounting estimates for evidence of bias.
- Performed analytical review and sample testing of income.
- Agreed financial statement disclosures to supporting documentation.

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.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 2023

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.



Craig Wallace B.Acc.(Hons), F.C.C.A. (Senior Statutory Auditor)

For and on behalf of
PB Audit Limited
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA

PB Audit Limited are eligible to act as auditors under the terms of Section 1212 of the Companies Act 2006.

8 November 2023

The Cottage Family Centre
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year Ended 31 March 2023

			2023		2022
		Unrestricted	Restricted	Total funds	Total funds
	Note	funds	funds		
		£	£	£	£
Income and endowments					
Donations and legacies	5	95,154	3,000	98,154	109,967
Charitable activities	6	360,455	533,617	894,072	627,691
Other trading activities	7	8,625	–	8,625	10,203
Total income		<u>464,234</u>	<u>536,617</u>	<u>1,000,851</u>	<u>747,861</u>
Expenditure					
Expenditure on charitable activities	8,9	457,077	368,527	825,604	579,700
Other expenditure	11	–	–	–	92
Total expenditure		<u>457,077</u>	<u>368,527</u>	<u>825,604</u>	<u>579,792</u>
Net income and net movement in funds		<u>7,157</u>	<u>168,090</u>	<u>175,247</u>	<u>168,069</u>
Reconciliation of funds					
Total funds brought forward		<u>147,806</u>	<u>678,199</u>	<u>826,005</u>	<u>657,936</u>
Total funds carried forward		<u>154,963</u>	<u>846,289</u>	<u>1,001,252</u>	<u>826,005</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 15 to 25 form part of these financial statements.

The Cottage Family Centre

Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible fixed assets	16	238,857	275,891
Current Assets			
Debtors	17	1,617	1,867
Cash at bank and in hand		787,202	571,778
		<u>788,819</u>	<u>573,645</u>
Creditors: amounts falling due within one year	18	<u>26,424</u>	<u>23,531</u>
Net Current Assets		762,395	550,114
Total Assets Less Current Liabilities		<u>1,001,252</u>	<u>826,005</u>
Net Assets		<u>1,001,252</u>	<u>826,005</u>
Funds of the Charity			
Restricted funds		846,289	678,199
Unrestricted funds		154,963	147,806
Total charity funds	21	<u>1,001,252</u>	<u>826,005</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 8 November 2023, and are signed on behalf of the board by:

Marilyn Livingstone

Marilyn Livingstone
Trustee

The notes on pages 15 to 25 form part of these financial statements.

The Cottage Family Centre
Company Limited by Guarantee
Statement of Cash Flows
Year Ended 31 March 2023

	2023	2022
	£	£
Cash Flows from Operating Activities		
Net income	175,247	168,069
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	39,524	43,495
Government grant income	–	(646)
Loss on disposal of tangible fixed assets	–	92
Accrued expenses	360	–
<i>Changes in:</i>		
Trade and other debtors	250	2,927
Trade and other creditors	2,533	8,576
Cash generated from operations	<u>217,914</u>	<u>222,513</u>
Net cash from operating activities	<u>217,914</u>	<u>222,513</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	<u>(2,490)</u>	<u>(2,442)</u>
Net cash used in investing activities	<u>(2,490)</u>	<u>(2,442)</u>
Cash Flows from Financing Activities		
Government grant income	<u>–</u>	<u>646</u>
Net cash from financing activities	<u>–</u>	<u>646</u>
Net Increase in Cash and Cash Equivalents	<u>215,424</u>	<u>220,717</u>
Cash and Cash Equivalents at Beginning of Year	<u>571,778</u>	<u>351,061</u>
Cash and Cash Equivalents at End of Year	<u>787,202</u>	<u>571,778</u>

The notes on pages 15 to 25 form part of these financial statements.

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31 March 2023

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 2023

3. Accounting Policies *(continued)*

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 fixed assets are stated at cost less depreciation. The charity capitalises items of equipment where the purchase price exceeds £1,000.

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 2023

3. Accounting Policies *(continued)*

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 2023 £
Donations			
Donations	95,154	3,000	98,154
Grants			
Government grant income	—	—	—
	<u>95,154</u>	<u>3,000</u>	<u>98,154</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

5. Donations and Legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	109,321	–	109,321
Grants			
Government grant income	646	–	646
	<u>109,967</u>	<u>–</u>	<u>109,967</u>

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fife Council	349,455	157,000	506,455
Fairer Scotland Fund	–	–	–
McDonald Trust	–	11,577	11,577
Forth One Cash for Kids	–	30,490	30,490
Cattanach Trust	–	27,805	27,805
Northwood Trust	–	68,000	68,000
Big Lottery	–	58,745	58,745
William Grant Foundation	11,000	–	11,000
Peoples Postcode	–	–	–
Amazon	–	–	–
Social Bite	–	–	–
Robertson Trust	–	140,000	140,000
Prism Charitable Trust	–	25,000	25,000
SMHSS	–	–	–
Avenel	–	–	–
Sainsbury's	–	–	–
Scottish Midland	–	10,000	10,000
Foundation Scotland	–	5,000	5,000
	<u>360,455</u>	<u>533,617</u>	<u>894,072</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

6. Charitable Activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fife Council	233,411	64,270	297,681
Fairer Scotland Fund	—	27,417	27,417
McDonald Trust	—	11,577	11,577
Forth One Cash for Kids	3,000	30,000	33,000
Cattanach Trust	—	12,000	12,000
Northwood Trust	—	18,000	18,000
Big Lottery	—	38,745	38,745
William Grant Foundation	10,000	—	10,000
Peoples Postcode	—	19,503	19,503
Amazon	—	155,000	155,000
Social Bite	3,000	—	3,000
Robertson Trust	—	—	—
Prism Charitable Trust	—	—	—
SMHSS	953	—	953
Avenel	700	—	700
Sainsbury's	115	—	115
Scottish Midland	—	—	—
Foundation Scotland	—	—	—
	<u>251,179</u>	<u>376,512</u>	<u>627,691</u>

7. Other Trading Activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Room hire	<u>8,625</u>	<u>8,625</u>	<u>10,203</u>	<u>10,203</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

8. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable activities	434,451	363,228	797,679
Support costs	22,626	5,299	27,925
	<u>457,077</u>	<u>368,527</u>	<u>825,604</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable activities	354,599	207,815	562,414
Support costs	17,286	–	17,286
	<u>371,885</u>	<u>207,815</u>	<u>579,700</u>

9. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable activities	797,679	13,740	811,419	568,454
Governance costs	–	14,185	14,185	11,246
	<u>797,679</u>	<u>27,925</u>	<u>825,604</u>	<u>579,700</u>

10. Analysis of Support Costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
Governance costs	14,185	14,185	11,246
Legal and professional fees	13,740	13,740	6,040
	<u>27,925</u>	<u>27,925</u>	<u>17,286</u>

11. Other Expenditure

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Loss on disposal of tangible fixed assets held for charity's own use	–	–	92	92
	<u>–</u>	<u>–</u>	<u>92</u>	<u>92</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

12. Net Income

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	39,524	43,495
Loss on disposal of tangible fixed assets	—	92
Operating lease rentals	<u>1,869</u>	<u>1,869</u>

13. Auditors Remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>4,560</u>	<u>4,200</u>

14. Staff Costs

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

	2023	2022
	£	£
Wages and salaries	498,311	356,090
Social security costs	32,592	17,036
Employer contributions to pension plans	<u>5,855</u>	<u>3,686</u>
	<u>536,758</u>	<u>376,812</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 29 (2022: 26).

No employee received employee benefits of more than £60,000 during the year (2022: 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 £89,633 (2022: £74,362).

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

15. 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.

16. Tangible Fixed Assets

	Buildings £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost				
At 1 Apr 2022	781,459	70,819	36,535	888,813
Additions	—	—	2,490	2,490
At 31 Mar 2023	<u>781,459</u>	<u>70,819</u>	<u>39,025</u>	<u>891,303</u>
Depreciation				
At 1 Apr 2022	529,445	50,724	32,753	612,922
Charge for the year	31,257	4,021	4,246	39,524
At 31 Mar 2023	<u>560,702</u>	<u>54,745</u>	<u>36,999</u>	<u>652,446</u>
Carrying amount				
At 31 Mar 2023	<u>220,757</u>	<u>16,074</u>	<u>2,026</u>	<u>238,857</u>
At 31 Mar 2022	<u>252,014</u>	<u>20,095</u>	<u>3,782</u>	<u>275,891</u>

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

17. Debtors

	2023 £	2022 £
Trade debtors	1,617	1,388
Other debtors	—	479
	<u>1,617</u>	<u>1,867</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

18. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	4,747	5,285
Accruals and deferred income	4,560	4,200
Social security and other taxes	7,553	10,718
Other creditors	9,564	3,328
	<u>26,424</u>	<u>23,531</u>

19. 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 £5,855 (2022: £3,686).

20. Government Grants

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

	2023	2022
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>—</u>	<u>646</u>

21. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 2022	Income	Expenditure	At 31 Mar 2023
	£	£	£	£
Unrestricted Fund	<u>147,806</u>	<u>464,234</u>	<u>(457,077)</u>	<u>154,963</u>

	At 1 Apr 2021	Income	Expenditure	At 31 Mar 2022
	£	£	£	£
Unrestricted Fund	<u>148,434</u>	<u>371,349</u>	<u>(371,977)</u>	<u>147,806</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

21. Analysis of Charitable Funds *(continued)*

Restricted funds

	At 1 Apr 2022	Income	Expenditure	At 31 Mar 2023
	£	£	£	£
General Restricted Fund	<u>678,199</u>	<u>536,617</u>	<u>(368,527)</u>	<u>846,289</u>

	At 1 Apr 2021	Income	Expenditure	At 31 Mar 2022
	£	£	£	£
General Restricted Fund	<u>509,502</u>	<u>376,512</u>	<u>(207,815)</u>	<u>678,199</u>

22. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	14,662	224,195	238,857
Current assets	156,789	632,030	788,819
Creditors less than 1 year	(16,488)	(9,936)	(26,424)
Net assets	<u>154,963</u>	<u>846,289</u>	<u>1,001,252</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	18,858	257,033	275,891
Current assets	143,223	430,422	573,645
Creditors less than 1 year	(14,274)	(9,257)	(23,531)
Net assets	<u>147,807</u>	<u>678,198</u>	<u>826,005</u>

23. Financial Instruments

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	<u>788,819</u>	<u>573,645</u>

The Cottage Family Centre

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year Ended 31 March 2023

23. Financial Instruments *(continued)*

	2023 £	2022 £
Financial liabilities measured at fair value through income and expenditure		
Financial liabilities measured at fair value through income and expenditure	<u>26,424</u>	<u>23,531</u>

24. Analysis of Changes in Net Debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	<u>571,778</u>	<u>215,424</u>	<u>787,202</u>

25. Operating Lease Commitments

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

	2023 £	2022 £
Not later than 1 year	12,143	350
Later than 1 year and not later than 5 years	<u>20,638</u>	<u>350</u>
	<u>32,781</u>	<u>700</u>

26. 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.

Donations totalling £10,000 (2022: £11,700) were received from related parties. No conditions were attached to any of the donations.