

REGISTERED COMPANY NUMBER: 04182273 (England and Wales)
REGISTERED CHARITY NUMBER: 1087082

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 MARCH 2011
FOR
RELATE SOLENT**

RELATE SOLENT

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FOR THE YEAR ENDED 31 MARCH 2011**

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RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04182273 (England and Wales)

Registered Charity number

1087082

Registered office

3 Kings Park Road
Southampton
Hampshire
SO15 2AT

Trustees

Vivian Roberts	Chair
Simon Beloe	Vice Chair Resigned September 2010
Lesley Brown	Honorary Treasurer
Suzanne Foster	Vice Chair Appointed September 2010
Roger Harrison	Appointed February 2011
Paul Hennessey	Resigned September 2010
Elizabeth Hooper	
Satvir Kaur	
Jane Longworth	
Charles MacDonald	Resigned September 2010
Gwenda Martin	
Lin Meech	Appointed September 2010
Mike Randall	Appointed February 2011

Patron

John Stephenson

Honorary President

The Mayor of Southampton

Honorary Vice President

Doreen Pike MBACP

Company Secretary

Deborah Crescente

Appointments Secretary

Karen Ryan

Centre Manager

Deborah Crescente

Administrator / Receptionist

Lesley O'Connell

Administrative Assistant / Fundraiser

Rebecca Hayward

Fareham Borough Council Representative

Councillor Trevor Howard

Eastleigh Borough Council Representative

Councillor Roger Smith

RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

R M L Perry, FCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Bankers

NatWest
43-49 London Road
Southampton
Hampshire
SO15 2BL

Solicitors

Trethowans LLP
1 Rockstone Place
Southampton
Hampshire
SO15 2EP

Advisers

Senior Practice Consultants from the Relate National Practice Helpline.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and constitution

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Relate Solent is a Registered Charity and is governed by a Board of Trustees. Relate Solent is also a registered Company, limited by guarantee. Our work is conducted within the requirements of our Constitution and Articles of Association.

Risk management

We have assessed the major risks to which we are exposed, in particular, those related to the operations and finances of the Centre and are satisfied that, as far as possible, systems are in place to mitigate our exposure to major risks.

REVIEW OF ACTIVITIES

The organisation through its staff, trustees and leadership have continued to respond and meet the challenges facing us, particularly from the pressures on direct income and funding sources caused by the recession. This review highlights the key areas that underpin Relate Solent's reputation and results.

Organisation Structure - Trustees, Officers and Volunteers

We were pleased to welcome Lin Meech, Roger Harrison and Mike Randall who were appointed as new trustees during the year. We were very sad to lose Simon Beloe as a trustee at the AGM. He had been Honorary Treasurer for seven years from 1999 and Vice Chair for one year. We were also sorry to see the departure of Charles MacDonald (former Chair) and Paul Hennessey (former Vice Chair). We are very grateful to all three retiring trustees for their hard work and commitment.

Crucial to the survival and the success of Relate Solent our volunteers have continued to provide necessary help in a variety of ways, particularly in areas such as counselling, support with newsletters, reception work, fundraising, IT support, HR and legal advice. Their contribution cannot be underestimated. Relate Solent thanks them very much for their hard work and support.

RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

Doreen Pike (Chair of 12 years standing) was invited to continue once again in her Non-Executive Role as Honorary Vice President and during the reporting year she has turned her knowledge and experience within Relate to support the Board and leadership in reviewing and updating our Quality Review Processes (PQASSO) to meet our future organisational needs.

John Stephenson, Head of Cricket for MCC, has continued as a very active Patron and a keen supporter of our Charity.

Management, Staff and Key Management Processes

The leadership roles of The Centre Manager (undertaken by Debbie Crescente) and Clinical Supervisors (Liz Pedder, succeeded in December by Shirley Tarran), have continued to provide the necessary leadership and clinical direction to ensure that we drive for excellence, fulfil our charitable obligations and maintain a healthy financial position. Income generated through contracted services, and in particular the Co-Parenting Training Courses (CAFCASS) have very much underpinned our financial portfolio. We are indebted to Liz Pedder for her contribution over many years as Centre Supervisor. Performance related measurements such as waiting times for first appointments, client satisfaction and utilisation of our bursary continued to be monitored closely. 89% of clients who gave us feedback indicate that Relate has significantly improved their understanding of their problems which has helped them either to stabilise their current relationship or to move on. The impact this has on children alone cannot be underestimated. The Client Satisfaction Questionnaire is an important tool in monitoring our activity.

The Objectives and Future Direction of Relate Solent

The objectives of Relate Solent remain unchanged as follows:

- to educate the public concerning the benefits of secure couple relationships, marriage and family life in order to improve the emotional, sexual and spiritual well-being of individuals which is derived from committed relationships;
- to promote research into all aspects of couple relationships and marriage and to make the results available to the public;
- to seek to enhance the good health, both mental and physical of adults and children by increasing public awareness of the benefit of committed couple relationships and marriage;
- to promote family life by working to prevent poverty, hardship and distress caused by the breakdown of such relationships;
- to have a presence in schools and colleges to help young people through difficult relationships. We hope that this will at the same time, make them aware that at times of difficulty when they are in committed relationships, they can seek help from Relate before, rather than after serious damage has occurred.

Once again we took part in the Southampton Mela Festival by having a stand to promote our local services. Relate Solent continues to look for more ways of raising its profile across all community groups to support those with relationship difficulties.

The Co-Parenting Training Courses developed by Relate with CAFCASS has been very successfully delivered both on the mainland and on the Isle of Wight through this financial year. We have run these courses for separating parents to highlight the impact and importance of parents working together to meet the needs of their children.

Relate Solent continues to provide in-house counselling services at Southampton City and Taunton's Colleges. The contracts allow for confidential counselling sessions for students on a self referral basis during college term times.

Relate Solent also provided family counselling at a Children's Centre on the mainland and our Trainer provided anti-bullying courses within local colleges.

Fundraising continues to be an important income stream for the charity. Raising public awareness of Relate as an organisation, as well as raising money, is of key importance if we are to survive in these times. More and more charities are seeking money from grant funders as the public purse diminishes. Although covered separately within this report it is important to recognise that along with all our grants and donations the charity's very existence is heavily dependent on the support and hard work on many people's part, particularly the Centre Manager, for which Relate Solent is very grateful. In March we began using the Relate Response Call Centre to field our calls out of normal office hours. This has allowed greater access by clients to our services at times convenient to them.

RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

Quality Assurance

Under the direction of Doreen Pike (Honorary Vice-President) we have continued to observe the requirements of the PQASSO Quality Assurance system and to show that all our processes and procedures are fully in line with current Relate Federation and legal requirements.

Centre Accommodation and facilities

We continue to operate our services in Southampton centre and at the Army Welfare Office in Marchwood, and in Newport, Freshwater and Ryde on the Isle of Wight.

The Citizens' Advice Bureau with whom we share premises in Southampton, would like to expand their premises but unless somewhere economic and central can be found, it is felt we should not relocate.

Review of Public Benefit

In setting out our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on fee charging. The following statements take into account the Charity Commission's guidance on public benefit disclosure.

GENERAL HEALTH. Of the clients seen by Relate there has been a decrease in visits to the doctor. We know that those in happy couple relationships enjoy better physical health. They are less likely to suffer from depression and associated illnesses such as headaches, muscular pains, back pain etc. Post natal depression was reduced by relationship support. There is a reduction in the incidence of heart disease and strokes within healthy adult relationships. By helping couples resolve their relationship issues, there is an overall improvement in the number of visits needed to GPs.

CARERS. There has been an increase in the number of older couples from 55 years and over, seeking our service. We are seeing an increase in clients of this age range where one or both the partners need to be cared for by the other. Partners may suddenly find themselves thrown into the role of carer. This can be a shock and will undoubtedly affect the dynamics of their relationship. This can also occur in family situations, where a family member is diagnosed with a serious or long term illness or disability. Relate relationship counselling and sex therapy can help those individuals involved improve the quality of their relationships, often keeping them together in the home setting and avoiding painful separations, where the disabled person would otherwise go into NHS care.

DOMESTIC VIOLENCE AND ABUSE. Relate has developed a new holistic way of delivering Domestic Violence/Abuse training to all personnel within our organisation. In many cases we have helped victim survivors bridge to safety and have supported perpetrators to access appropriate help. Where children are involved we have worked closely with Social Services and the Police. We will continue to do this.

HOUSING. We know that where couples and families separate there is an immediate impact on the need for social housing within the area. According to Crisis the homelessness charity many adults cite family or relationship breakdown as the reason for their homelessness. Relate will work with couples who want to stay together to help them resolve their difficulties.

ECOLOGICAL IMPACT. Where a couple and their family separate, there is often a need to run two homes where one would have been sufficient, thus sometimes doubling fuel consumption, utilities use, an extra vehicle on the roads, etc. increasing levels of pollution.

EDUCATION. We know from national statistics that where children are in a stable family environment they do better at school. They are better able to focus on their studies without the worry and uncertainty that comes from parental relationship breakdown, and thereby improve their academic performance and longer term prospects. Where parents agree to separate amicably, the same thing applies. The Department for Education and Skills emphasises the importance of a stable environment for children with adequate support for changes and transitions. This vision is most likely to be achieved where couple and family relationships are functioning healthily.

EMPLOYMENT AND WORKFORCE PRODUCTIVITY. Every year businesses in the UK lose many billion pounds due to absence from work with much of this from people who miss work because of the stresses of relationship problems. Around half of Relate clients said they were able to concentrate better at work, and there was a significant decrease in days taken off work amongst those accessing our services.

RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

Services

We continue to offer Relationship Counselling, Sex Therapy, Family Counselling, Education and Training Courses and in-house contracts for counselling services at Southampton City and Taunton's Colleges. The contracts allow for confidential counselling sessions to students on a self referral basis during college term times. We have also engaged in contract work for Family Counselling at two local Family Centres.

Membership of the Federation of Relate Centres

We continue our membership of the Federation of Relate Centres.

Investment Policy

Funds that are in excess of immediate operating requirements are maintained in interest bearing accounts with our bankers, as authorised by the Trustees. However, with the reduction in interest rates this year, the return on our investments has dropped from £371 in 2009/10 to £54 for this current year, resulting in a drop of £317.

No investments in the form of stocks, shares, land and buildings are held. If, at some time investments of this nature are made, the approval of all Trustees will be required.

Financial Report

The Centre has maintained its financial stability through this year, resulting in a surplus of £12,557. This was only possible through our contract work with CAFCASS and the Court Service by offering Life Skills courses to parents who are separating.

Shortage in funding for our Family Counselling work at two local Children's Centres has meant a further reduction in this area of work, although we continue to offer Family Counselling at our Centre in Southampton and have a limited presence at a Children's Centre. We have maintained our core services of Relationship Counselling, Family Counselling and Sex Therapy and are developing our range of life skills courses.

Support from local authorities and other funders has enabled us to maintain our bursary support to clients on low incomes. Central Government have made additional funding available for the second year running for those affected by the recession.

Our total fund raising initiatives through the year resulted in additional income of £7,962.

We uphold the belief that access to counselling should be a right, not a privilege and to that end, we continue to be able to offer a bursary to all our clients in financial difficulty. This is only possible through the support of Local Authorities, Charitable Trust Funds, Sponsors and our own fundraising activities. It is essential to the survival of our Bursary Scheme that Local Authorities in particular, continue to recognise our value and positive social impact within our local communities.

We continue to seek donations from individuals, businesses and organisations although it is evident that many of these sources have been hard hit by the current downturn in the economy. If you feel able to support our work, please contact us direct.

Our expenditure is held to a minimum in all areas. It would not be possible to maintain this level of cost control without the continuing support of our volunteer team, for which we thank them. Some of the voluntary support received this year includes, reception cover, help with fundraising, IT support, website development, legal, financial and H.R. advice.

We know that the year ahead will be a further challenge, particularly because the CAFCASS Contract finished on 31st March 2011. Although we will be providing this service on a sub contracted basis in the year ahead, the net income from this source will be seriously diminished.

The Balance Sheet indicates that at 31st March 2011 the total funds of Relate Solent were £75,457. The General Fund stands at £58,521 with designated reserves remaining at £16,936. There are no Restricted Funds.

The Statement of Financial Activities shows Total Incoming Resources of £178,998 all of which are Unrestricted Funds.

RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

Reserves Policy

The Reserves stand at £75,457 in line with the recommendations of the Charities Commission. Of this General Reserve we have allocated £10,000 to cover any closure costs that may be incurred. Designated Reserves are listed as follows:

Island Reserve (legacy)	£1,936
Building Reserve	£5,000
	<hr/>
Total	£6,936

Election of Trustees

The Trustees and Officers of Relate Solent are appointed for a period of one year by a vote of Members at the Annual General Meeting. Induction and training of new Trustees is conducted by two members of the Trustee Board.

People Making a Difference

Our grateful thanks to everyone for their hard work and commitment during the past year.

Practitioners

A team of 16 counsellors continue to provide a range of Relate counselling services, during daytime and evening hours in our main office in Southampton and through a number of outposts around Southampton and on the Isle of Wight. There have been a few changes to the team during the past year. We have welcomed the return of Jenny Gower an experienced counsellor who previously worked for Relate, but have said farewell to Janie Beloe who will be missed for her work. Two counsellors have had extended periods of sickness during the year, which has reduced the number of counsellors available at times. In addition we have also seen the recruitment of Shirley Tarran as our new Supervisor and counsellor and said goodbye to Liz Pedder in this role but thankfully still retain Liz as a counsellor.

All counsellors continue to access Continuous Professional Development through a variety of courses available both within and outside Relate. These courses enable practitioners to remain updated on practice issues and developments and form part of the requirement for continuing to practice and develop as a counsellor in Relate. In addition to practice development and training, at Relate Solent we have again appreciated the opportunity to attend Centre Meetings where trustees, management, administrators and practitioners can share their skills, knowledge and ideas in order to continue to plan and develop services for our local community.

We continue to offer counselling services in a variety of ways, including through a contract at one local Children's Centre. This offers vulnerable clients and families in financial difficulty the opportunity to access Family and Relationship Counselling on a funded basis. Solent also provides counselling in two local Higher Education Colleges.

A number of our counsellors have trained to deliver a Co-Parenting Training Course to parents who are separating. This course was developed by Relate with CAFCASS at national level to support parents who are having communication difficulties regarding access and care of their children. The Court Service refers clients to us for this work which began in the summer of 2009.

Supervision of counselling at Relate Solent meets The British Association of Counselling and Psychotherapy minimum requirement of one and a half hours per month. In addition counsellors can access group supervision eight times a year. The groups provide an opportunity to explore casework, consider theory and practice and share new practice ideas and developments.

Of the many and varied relationship situations that prompt people to contact Relate, Domestic Violence and Abuse (DVA) continues to feature prominently in our work, for which Relate Central Office continues to develop new practices. The final stage of a 3 stage implementation of The Responsive Model has been introduced throughout the Relate Federation and here at Solent we have now completed the training and offer this service to our clients. In addition to supervision at Centre level, practitioners can access support and advice through consulting Relate's Practice Helpline which is operated by Senior Practice Consultants from Central Office.

RELATE SOLENT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

Counselling at Relate Solent would not take place without the support of a wealth of individuals, and as practitioners we would like to use this opportunity to thank all the office staff and Trustees. The Centre Manager, Appointments Secretaries and evening chaperones all enable us to deliver counselling in a safe and supportive environment.

EDUCATION AND TRAINING COURSES 2010/11

We have continued to respond to requests from our local community and have delivered Life Skills training courses in a number of locations through Southampton this year.

Stand Up 4 me

This course has been delivered at a local 6th Form College and enables young people with low self esteem and other personal issues to move forward, often rebuilding their lives as a result. Many, who were at risk of exclusion from college, were enabled to make positive changes and re-engage with education and other areas of their lives. Peer Listening and Buddying courses have helped young people to provide support within their own schools and colleges on a one to one basis, or in the playground for those who feel isolated or picked on. Support is also offered to staff in strategies for helping these students.

Parents Apart

This course is to help frontline and support workers in Surestart Centres deal with challenging situations with small children and their parents where a couple are separating. We have delivered this training to three groups in Southampton locations this year.

Co-Parenting Training Courses

This 4 hour short training course has been developed by Relate in conjunction with CAFCASS for separating parents who are referred to us by the Court Service. When Court Orders are made, the parents join different groups of other parents in similar circumstances to help focus on the needs of their children rather than their own differences. Feedback from the participants shows that this is a really effective intervention. Preparation and training of our practitioners took place in 2009 and we hope this work will continue well into 2011/12.

FUNDRAISING 2010/11

Gardens Open Day on the Isle of Wight

A special Gardens Open Day took place June 2010 in the village of Arreton, Isle of Wight. Proceeds from this event were shared between St John Ambulance and Relate, Relate's share was over £600. Visitors to the village delighted in visiting a number of very differing gardens in the village ranging from small cottage gardens to the grounds of the two village manor houses. The sale of cream teas and other refreshments, together with plant sales all added to the coffers. We are most grateful to all those home owners who shared their beautiful gardens with the public to help support us.

Spice and all that jazz

100 people enjoyed a curry supper at Haseley Manor while being entertained by a jazz pianist. Over £1,600 was raised.

Southampton Mela Festival

We attended the Southampton Mela Festival for the third time this year and were well prepared with tombola prizes and marketing material. Funds raised on the day more than covered the fee to attend and we were able to promote our services to a wide range of people from diverse backgrounds and cultures within our local community.

The Great Sunday Lunch

This took place in October at Haseley Manor in Arreton, Isle of Wight. This was a joint venture with the Charity Age Concern with around £1,300 being raised for the Relate Bursary Fund.

Bembridge Christmas Fayre

For Christmas 2010, Relate was named as a beneficiary of the proceeds from Bembridge Christmas Fayre and a significant contribution of £1,160 was added to our fundraising total.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

Gift Aid Donations

Gift Aid remains a source of income for us and a number of our supporters and 'Friends of Relate' donate a small sum on a monthly basis. This is an important way of raising funds with the added benefit of being able to claim a sum each year from the Government for those donations coming from tax payers.

Corporate Friends of Relate

Our Corporate Sponsorship Scheme, which started in 2006, has continued through the year and once again we would like to thank our Sponsors Exxon Mobil and Trethowan's Solicitors for their continued support. This important source of income helps to maintain our Bursary Scheme.

Relate Solent's Counsellors 2010 - 2011

Andrew ^	Debbie	Fiona	Gwen *	Janie+
Jenny	Joanne	Kathy	Liz +	Naomi
Nerina *	Rich	Ros	Teresa	Val ^

* Counsellors who are Psycho Sexual Therapists

+ Counsellors who are Family Counsellors

^ Counsellors in Training

College Counsellor

Gloria, Liz and Dee

Supervisors

Liz and Shirley
Nina

In - service Supervisor
Psycho Sexual Therapy Supervision

Education and Training Team 2010 - 2011

Dan, Liz, Naomi.

Relate Counsellors and Trainers are professionally qualified.
Many give all or part of their time on a voluntary basis.

ON BEHALF OF THE BOARD :

V Roberts - Trustee

18 August 2011

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RELATE SOLENT

I report on the accounts for the year ended 31 March 2011 set out on pages ten to nineteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 43 of the 1993 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 43(7)(b) of the 1993 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view ' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

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

R M L Perry, FCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

30 August 2011

RELATE SOLENT

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 Unrestricted funds £	2010 Total funds £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	1,285	2,127
Activities for generating funds	3	6,677	4,412
Investment income	4	54	371
Incoming resources from charitable activities			
Counselling, education and training	5	170,982	143,629
Total incoming resources		<u>178,998</u>	<u>150,539</u>
RESOURCES EXPENDED			
Costs of generating funds			
Costs of generating voluntary income	6	3,835	3,426
Charitable activities			
Counselling, education and training	7	160,776	147,195
Governance costs	10	1,830	2,040
Total resources expended		<u>166,441</u>	<u>152,661</u>
NET INCOME/(EXPENDITURE) FOR THE YEAR			
		12,557	(2,122)
RECONCILIATION OF FUNDS			
Total funds brought forward		62,900	65,022
TOTAL FUNDS CARRIED FORWARD		<u><u>75,457</u></u>	<u><u>62,900</u></u>

The notes form part of these financial statements

RELATE SOLENT

**BALANCE SHEET
AT 31 MARCH 2011**

	Notes	2011 Unrestricted funds £	2010 Total funds £
FIXED ASSETS			
Tangible assets	14	598	732
CURRENT ASSETS			
Debtors: amounts falling due within one year	15	16,308	9,953
Cash at bank and in hand		71,299	60,361
		<u>87,607</u>	<u>70,314</u>
CREDITORS			
Amounts falling due within one year	16	(12,748)	(8,146)
		<u>74,859</u>	<u>62,168</u>
NET CURRENT ASSETS			
		<u>75,457</u>	<u>62,900</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>75,457</u>	<u>62,900</u>
NET ASSETS			
		<u>75,457</u>	<u>62,900</u>
FUNDS			
Unrestricted funds	18	75,457	62,900
TOTAL FUNDS		<u>75,457</u>	<u>62,900</u>

The notes form part of these financial statements

RELATE SOLENT

**BALANCE SHEET - CONTINUED
AT 31 MARCH 2011**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2011 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 18 August 2011 and were signed on its behalf by:

L Brown -Trustee

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is on deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods;
or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific conditions is recognised as earned (as the related goods and services are provided). Grant income included in this category provides funding to support activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Volunteers and donated services

The value of services provided by volunteers is not incorporated into these financial statements.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contributions is included in the financial statements at an estimate based on the value of the contribution to the charity.

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable activities include expenditure associated with providing services to the charity's beneficiaries and include both the direct costs and support costs relating to those activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Assets costing more than £250 are capitalised.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. VOLUNTARY INCOME

	2011 £	2010 £
Donations	1,285	2,127
	<u>1,285</u>	<u>2,127</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2011 £	2010 £
Fundraising events	6,677	4,412
	<u>6,677</u>	<u>4,412</u>

4. INVESTMENT INCOME

	2011 £	2010 £
Bank interest	54	371
	<u>54</u>	<u>371</u>

All investment income is derived from assets held in the United Kingdom.

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2011 £	2010 £
Grants	87,039	46,134
Counselling	61,987	71,623
Education and training	3,365	6,131
Contracted charitable services	18,591	19,741
	<u>170,982</u>	<u>143,629</u>

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2011 £	2010 £
Eastleigh Borough Council	2,240	2,158
Fareham Borough Council	2,000	2,000
Parish Councils	250	-
Southampton City Council	19,045	19,045
Southampton Health Authority	-	2,000
Dibden Allotments Charity	3,500	1,833
Government Recession Bursary	2,519	5,795
The Worshipful Company of Master Grocers	-	3,000
CAFCASS	56,486	10,303
CAH training grant	205	-
RCO Grant	794	-
	<u>87,039</u>	<u>46,134</u>

6. COSTS OF GENERATING VOLUNTARY INCOME

	2011 £	2010 £
Advertising	2,018	2,243
Fundraising	1,817	1,183
	<u>3,835</u>	<u>3,426</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8) £	Support costs (See note 9) £	Totals £
Counselling, education and training	<u>63,305</u>	<u>97,471</u>	<u>160,776</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2011 £	2010 £
Staff costs	34,058	29,227
Colleges projects	18,090	12,476
Counsellors' training	4,646	3,287
Counsellors' travel	1,441	1,803
Education travel	130	157
National Relate fees	4,940	4,935
	<u>63,305</u>	<u>51,885</u>

9. SUPPORT COSTS

	Management £	Finance £	Totals £
Counselling, education and training	<u>95,581</u>	<u>1,890</u>	<u>97,471</u>

Support costs, included in the above, are as follows:

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

9. SUPPORT COSTS - continued

Management

	2011 Counselling, education and training £	2010 Total activities £
Administrative salaries and NI	50,442	50,589
Supervision salary and NI	13,674	15,260
Cleaning	2,938	2,784
Travel	1,284	1,189
Insurance	1,207	1,200
Light and heat	984	1,004
Membership	30	50
Postage and telephone	2,624	2,257
Printing and stationery	1,896	1,258
Rates	630	1,155
Rent	13,150	12,403
Repairs and renewals	3,039	904
Supervision fees	1,028	1,015
Payroll expenses	243	380
Equipment rental	1,839	1,788
Sundry expenses	285	231
Recruitment	288	182
	<u>95,581</u>	<u>93,649</u>

Finance

	2011 Counselling, education and training £	2010 Total activities £
Bank charges	1,053	1,078
Depreciation	837	583
	<u>1,890</u>	<u>1,661</u>

10. GOVERNANCE COSTS

	2011 £	2010 £
Independent examiner's fee	1,501	1,545
AGM Costs	4	7
Trustee meetings	325	488
	<u>1,830</u>	<u>2,040</u>

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

11. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2011 £	2010 £
Depreciation - owned assets	837	583
Operating lease	9,384	9,384
	<u>9,384</u>	<u>9,384</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There was no trustees' remuneration or other benefits for the year ended 31 March 2011 nor for the year ended 31 March 2010.

J Beloe, the wife of the trustee S Beloe, received gross wages for counselling services of £1,593 (2010: £2,997) during the year.

R Hayward, the partner of the trustee C MacDonald, received gross wages for administrative services of £7,535 (2010: £2,222) during the year.

Trustees' Expenses

During the year ended 31st March 2011 two (2010: five) trustees were paid a total of £228 (2010: £176) for travel expenses to trustee meetings.

13. STAFF COSTS

	2011 £	2010 £
Wages and salaries	82,759	77,681
Social security costs	15,415	17,395
	<u>98,174</u>	<u>95,076</u>

The average monthly number of employees during the year was as follows:

	2011	2010
Counsellors	2	2
Office staff	2	2
	<u>4</u>	<u>4</u>

No employee received remuneration in excess of £60,000 for the year 31 March 2011 nor for the year 31 March 2010.

The Charity also benefited from the services of a number of volunteers during the year.

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

14. TANGIBLE FIXED ASSETS

Computer
equipment
£

COST

At 1 April 2010

1,748

Additions

703

At 31 March 2011

2,451

DEPRECIATION

At 1 April 2010

1,016

Charge for year

837

At 31 March 2011

1,853

NET BOOK VALUE

At 31 March 2011

598

At 31 March 2010

732

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Other debtors	<u>16,308</u>	<u>9,953</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Social security and other taxes	1,411	1,260
Other creditors	6,337	3,366
Deferred income (see below)	5,000	3,520
	<u>12,748</u>	<u>8,146</u>

Deferred Income

	2011 £	2010 £
Brought forward	3,520	1,833
Amount released to incoming resources	(3,520)	(1,833)
Amount deferred in year	5,000	3,520
Carried forward	<u>5,000</u>	<u>3,520</u>

RELATE SOLENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2011 £	2010 £
Expiring:		
Within one year	<u>9,348</u>	<u>9,348</u>

18. MOVEMENT IN FUNDS

	At 1.4.10 £	Net movement in funds £	At 31.3.11 £
Unrestricted funds			
General fund	45,964	12,557	58,521
Building reserve	5,000	-	5,000
Closure contingency reserve	10,000	-	10,000
Isle of Wight fund	1,936	-	1,936
	<u>62,900</u>	<u>12,557</u>	<u>75,457</u>
TOTAL FUNDS	<u>62,900</u>	<u>12,557</u>	<u>75,457</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	178,998	(166,441)	12,557
TOTAL FUNDS	<u>178,998</u>	<u>(166,441)</u>	<u>12,557</u>

The Building Reserve Fund is a provision for future accommodation costs.

The Closure Contingency Reserve has been created to cover the costs of winding up the charity if it became necessary.

The Isle of Wight Fund represents a legacy to the former Isle of Wight group, and a donation, which the trustees have designated for the expenditure on the Isle of Wight activities.

19. ULTIMATE CONTROLLING PARTY

The charitable company is not under the control of another entity or any one individual.