

Charity Number: SC011989
Company Number: SC110621

COUPLE COUNSELLING LOTHIAN
(Operating name from 29 February 2016 – BRIGHT LIGHT)
(A Company Limited by Guarantee)

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2017

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COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2017

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COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD

For the year ended 31 March 2017

Reference and Administrative Information

Charity Name: Couple Counselling Lothian (operating name Bright Light)

Charity registration number: SC011989

Company registration number: SC110621

Registered Office and
operational address: 9a Dundas Street
Edinburgh
EH3 6QG

Couple Counselling Lothian Board (Trustees and Directors)

James Lyall
Rosalind Brooke
Nicolas Child
Alistair Marquis
Jacqueline McRae (resigned 14 March 2017)
Kareen Rodger (resigned 14 March 2017)
Elspeth Turner
Angela Valerio (appointed 13 July 2016)
John Rowan (appointed 13 July 2016)
Nancy Law (appointed 14 March 2017)
Ceit-Anna Macleod (appointed 13 July 2016)

Secretary/Chief Executive

Julie Hogg-Weld

Independent Examiner

Chiene + Tait LLP
Chartered Accountants
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland
75 George Street
Edinburgh
EH2 3EW

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Couple Counselling Lothian Board of Trustees (daily used name Bright Light) presents its report along with the financial statements of the charitable company for the year to 31 March 2017. The financial statements have been prepared in accordance with the Memorandum and Articles of Association of the company's legal name, Couple Counselling Lothian, and the recommendations of the Statement of Recommended Practice Accounting and Report (SORP) for charities and comply with applicable law.

Objectives and Activities

Couple Counselling Lothian is committed to providing a range of high quality professional therapeutic and educational services for adults, children and young people and their wider families who are experiencing relationship difficulties. It provides these services regardless of race, religion, gender and ability to pay.

Our Vision

A better life and wellbeing for all people and their families through having strong relationships.

Our Aim

To provide, develop, and co-ordinate a confidential accessible counselling service in Edinburgh and the Lothians for people in relationships.

Our Mission

As a not-for-profit organisation, we deliver a professional service in Edinburgh and the Lothians to strengthen, promote, and enable close personal relations and emotional well being.

Our Values

Always compassionate and caring

- Connecting and empathetic with people
- Starting from each person's needs and respecting them
- Non-judgemental
- Respecting and supporting people's choices, decisions, and aspirations
- Keeping people as safe as possible
- Respecting confidentiality and boundaries
- Striving to be always accessible, inclusive, and empowering.

Pioneering and professional in our Field

- Building on our 70 plus years' history of delivering a professional service
- Always learning and developing individually and as an organisation
- Building and sharing our unique skills, expertise and experience
- Innovating, testing, reflecting
- Striving to improve in everything we do
- Ensuring the best possible counselling journey for each of our clients
- Outward looking and developing partnerships

People Always at the Centre and in our Heart

- Valuing each person
- Everyone has the right to be heard and listened to
- Bringing people together and building strong resilient relationships
- Enabling each person to grow, thrive, flourish, and achieve
- Building long-term resilience so people and families can cope with life's challenges now and in the future

At Bright Light we feel the following sums up our work -

"There is a crack in everything, that's how the light gets in" - Leonard Cohen 1934-2016

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Our 5 Key objectives:

Objective 1 :

We will sustain the suite of existing services and develop new ones that meet the changing needs of our clients, our mission and values.

Objective 2 :

Further evidence the impact of what we do – the difference we make to people's lives.

Objective 3 :

Continue to grow financial sustainability so that we can support people who need us in the future.

Objective 4 :

Ensure efficient and effective deployment and management of resources.

Objective 5 :

Build on our 70 plus years' successful history and professional reputation, further raising our profile and reach, whilst developing strong partnerships.

These objectives form our 5 year Strategic Plan 2017-2022 and are still deemed to be appropriate and were compiled at our Away Day October 2016, Strategic Plan launched at our last AGM, and scheduled to be reviewed early 2018 although ongoing progress is monitored monthly through support and supervision and six-monthly by the Board of Trustees.

Achievements and performance

To meet the key objectives:

- We developed and launched our 5 year Strategic Plan after extensive consultation and an Away Day in October 2016
- Well attended Away Day where all contributed to our overall vision
- Ongoing design and roll out of our bespoke IT client management system
- Social Media – we attracted our third highly successful intern placement thanks to the SCVO CJS Scheme and our presence was raised through various media avenues.
- Ongoing review to maximise our room usage to try to decrease our waiting list as need for our services continue to rise whilst we work with limited resources
- Extension of outreach
- Extensive growth of our Family Therapy Team
- Successful completion of our Keys to Life counselling service to support parents with learning disabilities. The grant ceased end of March 2017 but we have been able to source funding to continue and develop this excellent much needed work thanks to BIG Lottery Scotland.
- We continue to develop our Bright Light website that is proving popular along with distribution of our information materials in different formats.
- Key networking and pro-active partnership working with other agencies.
- Continue upgrade of the building and ongoing commitment to delivering a first class client experience at Bright Light. We have successfully sourced funding to create a much needed quiet area for clients, staff, and counsellors.

Bright Light offers a wide range of relationship focused therapies. We are open 60 hours per week, six days a week.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Achievements and performance - continued

Highlights in Therapies

Restorative Relationship Therapy (RRT)

The difficult economic climate has also resulted in a slowdown of the domestic abuse project. There is no direct funding for the work as yet despite significant effort to try and source this. It is concerning because during the year 62 women reported to us that they felt unsafe in their relationship. As an agency, we do signpost people to Safer Families (for those resident in Edinburgh) and Woman's Aid but our clients are telling us that one size does not fit all. Edinburgh and the Lothians need a safe and responsive suite of agencies confronting domestic abuse. We are collaborating strongly with the Edinburgh Violence against Women group. However, in this climate of austerity finance is not forthcoming.

GIRFEC

After the challenges to GIRFEC by the Supreme Court, Bright Light has worked hard to find the precise balance between the right to privacy of the child and our duty to protect the young. As an agency we work evermore closely with the family and child in order to discern the best course of action when risks arise. Good risk assessment by the team means that the most appropriate level of response is always sought. We consult with social care direct to make sure appropriate action is taken in every situation.

Risk Assessment

As well as working with domestic abuse and child protection issues, the agency finds more couples and families coming with mental health issues, suicidal ideation and self-harm. Ongoing training with the counsellors ensures their ability to detect risk, assess it and manage it well.

Mentoring Counselling Students

At the end of this period Bright Light had eleven students on the Relationship Scotland Diploma in Relationship Counselling, four students on the Relationship Scotland Certificate in couple counselling, two students on the Relationship Scotland Diploma in Sex and Relationship therapy and three counsellors attending the Relationship Scotland Diploma in Supervision. We also have two counsellors studying on the Marylebone course in sex addiction. There are four counsellors completing their intermediate certificate in systemic practice which will allow them to work with families.

Bright Light is committed to the development of knowledge and skills in the field.

School Counselling

The school counselling project continues to flourish. We have counsellors working in two schools in Edinburgh supporting young people from 12yrs to 18yrs. Each struggling to deal with adverse home conditions. Although the project is small tending to the needs of only 20 pupils per year, the difference is great.

Outcomes Measures

Relationship Scotland outcome measures show that 69% of Bright Light clients said that their relationship was good or very good after counselling. 81% reported that they communicated well or very well after counselling. (75% of our clients come with problems in communication.) 75% of clients report that after counselling they can negotiate well. 69% can deal well or very well with conflict.

Outcome measures also show that in our school work on average the counsellors take children from a place of moderate psychological suffering to mild psychological suffering reducing symptoms by at least one quartile (a clinically significant change.)

COUPLE COUNSELLING LOTHIAN
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REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Achievements and performance - continued

Abuse in the Family

Families reporting some level of domestic abuse was 105 across the entire service. 31 children we supported through our school service reported domestic abuse within their home environment. Six couples in an abusive relationship were moved to the Restorative Relationship Therapy project and seen in this our specialist service. Two couples were recommended on to Safer Families project. All families experienced a certain level of de-escalation while in therapy. All young people in the schools project reported experiencing a strengthening of their resilience, ability to cope now and in the future. Using professionally recognised outcome measures, Bright Light recorded that 44% of families when they first came through our doors reported that the state of their abusive relationship was either poor or very poor. After the end of therapy they reported it was reduced to 14%.

Communication

Of those 133 families who came to our service 74% reported not being able to communicate well at the start of therapy. By the end of therapy they reported that they felt this had been reduced to 13%.

Children

1044 children had been positively affected by therapy given to adult carer(s)/relative(s), only 689 (66%) reported being able to cope at all at the start of the therapy sessions. This then rose to 856 (82%) at the end, a net improvement in quality of life and the experience of 167 children.

Of those 33 children directly supported in therapy, and completing outcomes, three returned outcome measures showing elevated levels of severe distress (30 – 40).

The majority reported moderate levels of distress (20 - 30).

The average difference made to the children showed reduced levels of psychological suffering from 22 point by 11 points which is clinically significant – a real positive difference.

A score of 30 - 40 is severe

A score of 20 - 30 is moderate

A score of 10 - 20 is mild

A score of 00 - 10 is healthy

Wellbeing

Of the 133 families seen, 27 (20%) began scoring well in their sense of wellbeing. This was increased to 95 (71%). 68 reported greatly improved well-being.

Positive Futures

Of the families supported, 29 (22%) felt positive about the future at the start of therapy. At the end, this rose to a significant 92 (69%).

Family Therapy

Our innovative pilot project, in collaboration with Family Therapy Training Network (FTTN) funded by the Scottish Government, trained four counsellors to work with families. The Bright Light Board of Trustees recognised the value of this work and from our limited resources funded its continuation until grant funding could be sourced. In January/February 2017 the Big Lottery Fund and The Robertson Trust recognised its value and we thank them for their grants. Without this, the work would have ceased.

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Achievements and performance - continued

Over the year our counsellors gained in knowledge, skills, and practice using a systemic approach and working with whole families. We adopted an apprenticeship model and by March all four counsellors had completed their training and practice days. We increased our profile and reputation, referrals increased from families and other professionals for supervision and consultation. We also made positive connections with the systems around each family - schools, CAMHs workers, social workers for example - those who supported each family to better embed the work and create a more lasting positive life change.

In addition, A Keys to Life grant funded our innovative counselling project to support parents with learning disabilities. This involved weekly therapeutic groups for parents with learning disabilities and therapeutic sessions for families and couples. We also made good connections with the other organisations that support parents with learning disabilities. Throughout the project there were events to show case good practice, challenges, and learning. Again, thank you to the Big Lottery who have now made it possible to continue this pioneering work.

Outcomes Measures

Number of sessions offered in the last 12 months - 5,789 (compared to 5,975 in 2015) – a decrease of 186 sessions offered); completed – 5,183 (compared to 5,143 in 2016) – an increase of 40 sessions completed). Less offered with more people turning up to appointments due to the methods we have put in place to remind clients of their appointments. 89.5% turn-out which is an improvement and one we will continue to work on as every missed appointment means we could have offered this to someone on our waiting list.

Financial review

In the year to 31 March 2017, income was £281,998 (2016 : £344,789) and expenditure was £385,569 (2016 : £344,497). Income decreased principally to the lack of new grants awarded in the year and the decrease in Client Contributions. Unrestricted reserves (excluding the designated reserves) decreased during the year by £75,493 to £25,283. As detailed in Note 14, the Directors have designated £60,394 of funds at the year-end towards activities that they expect to take place during the forthcoming year. The organisation's investment in new counsellors is ongoing. Grant funding for the highly successful Systemic Family Therapy pilot ceased March 2016 and the Board committed funding to continuing this vital for a distinct period of time in order to source funding. Our thanks go to the BIG Lottery Fund and The Robertson Trust for exceptional support that enabled us to continue vulnerable families for another three years and to develop the team further, as well as upskill staff of other agencies. The Directors continue to look carefully at cost efficiencies and to work hard at attracting additional external funding to support its activities, coupled with maximising the number of counselling hours offered and client contributions received.

Principal funding sources

We would like to thank the following for their generous financial support:

The Big Lottery, City of Edinburgh Council, West Lothian Council, Keys for Life, Scottish Government, Dedridge Medical Group, and Relationships Scotland as well as the many clients and anonymous donors whose contributions have helped us maintain our services.

Client contributions including Gift Aid decreased in 2016/2017 from £193,740 to £172,864. The decrease of £20,876 reflects the financial struggles of many of our clients and our commitment within Bright Light to ensuring counselling cost is not a barrier to our services when someone is in need of our support. It also reflects a difficulty experienced in recruiting counsellors and supervisors with the requisite qualifications. This has now been addressed.

COUPLE COUNSELLING LOTHIAN
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REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Achievements and performance - continued

Reserves policy

The Directors are responsible for ensuring that, in the event the organisation was to discontinue, there would be enough funds available to meet their contractual obligations, including running costs for three months. The actual unrestricted 'free' reserves, excluding funds designated for particular purposes at 31 March 2017 are £25,283. The level of designated funds at 31 March 2017 is £413,974, the purpose of these funds has been identified as per note 14. The Directors have estimated that, if CCL were not to continue, the amount required would be approximately £66,000. The level of unrestricted reserves is below the Directors ambition of building reserves to three months running costs due to requirements in the year to fund the continuation of the Family Therapy project until grant funding could be sourced. Funding for the Family Therapy Team has since been sourced for the next three years from the Lottery and the Robertson Trust to continue the work in the coming years. The Directors' objective is to build this level of reserves during the coming year.

The level of restricted reserves are held at the year-end amounted to £5,333. Further details of these restricted funds are given in Note 14.

Principal risks and uncertainties

The Board have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate exposure to the major risks. A revised risk audit is scheduled to take place in financial year 2017-2018. To date, principle risks and uncertainties identified and actions taken to manage them are:

- ***Lack of range of skills, membership, and successful planning for the Board of Trustees.*** During 2016 we actively recruited with much success. We gained three new Board members with the experience, contacts, and skills we were looking for and a new Treasurer in 2017. We also sustained continuity as our former Chair stepped down but remained as a Trustee.
- ***Potential reduction in income/client contributions due to austerity*** continues to be a concern – people have less money personally and less to contribute to help our work. Inflation has risen, cost of food, fuel and utilities is a challenge, whilst salaries remain flat stretching household incomes and benefits. Future under Brexit is an unknown. We will try to counter this through providing more sessions than ever before, increasing our outreach services to help more people and provide a local accessible service, and by ensuring we are reaching and supporting a diverse audience. We continue to identify new funding streams and actively seek out new supporters whilst building and maintaining quality partnerships/relationships with ongoing funders – many of whom have shown their confidence in us by repeating their financial support/investment for which we continue to be grateful when budgets are tight. We also ensure that we keep a keen eye on our expenditure, ensuring savings wherever we can, and making every penny count!!
- ***We provide services that don't meet the changing needs of clients.*** We counter this by being a listening organisation – actively seeking and listening to what clients tell us works, does not work, and where the gaps lie. Client feedback is central to the quality and diversity of services we provide. We also commit to ongoing training to ensure our staff and services are up to date and of the best quality possible.
- ***Our staff skills and experience do not match our operational needs.*** We continue to review our organisational needs, structure, and model of delivery and recruit widely for quality staff. Investing in their ongoing professional development and ensuring they are well supported.

**COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Plans for future periods

Key objectives are:

- 2017 is Bright Light's 70th anniversary. We aim to harness this opportunity to celebrate and mark what has been achieved by staff, volunteers, counsellors over the years, to show the difference we have made but also the challenges ahead, to raise the profile of counselling and family therapy, and remove as much as possible the stigma that still remains – that people think they should be able to cope and don't need counselling and therapy – everyone needs a helping hand sometime.
- Continue to source funding for existing and new services and further establish our systemic Family Therapy Service.
- Gain ongoing feedback from our clients on what works, what does not, and identify and fill service delivery gaps as client needs change.
- Successful further recruitment and induction and integration of a further two Board members.
- Delivery of a further Away Day to revisit our Strategic Plan, recognise progress, and tweak where needed.
- Continue to raise our profile through events, social media activity, website.
- Explore further potential relationships/partnerships with corporate bodies.
- Contribute to numerous consultations and networks so that Bright Light is influencing policy and service delivery.
- Re-visit our Memorandum and Articles of Association to enable us to legally adopt Bright Light (currently our daily name only), our charitable purpose to include mental health and well being as it currently sits as counselling only, this new expansion will reflect more accurately what we are about. Also to consider the membership model to decide whether it needs revision.
- Explore digital and use of technology as a source of delivering counselling and therapy as another alternative to our clients who are struggling to meet us face to face or prefer another means of communicating.
- Explore potential for social enterprise activity
- Continue to successfully manage our organisation in times of great external change including the impact of Brexit.

Structure, Governance and Management

Couple Counselling Lothian is our registered legal name. At our Annual General Meeting in February 2016, after 12 months of intensive consultation with clients, funders, staff, counsellors and other key bodies, we launched our new name and brand Bright Light and this is the name we have been using on a daily basis since then as it more accurately reflects where we are now as an organisation plus wider range of services, when in the past the majority of our work was couple counselling. Since then we have been getting used to it, letting the name Bright Light bed in. At our AGM in December 2017 we now aim to legally adopt the name Bright Light.

We first started providing a much used counselling service back in 1947 and we are one of the oldest and largest counselling organisations in Edinburgh and the Lothians. Under our current legal name, Couple Counselling Lothian, we are a company limited by guarantee having no share capital and we are governed by Memorandum and Articles of Association dated 15th April 1988 and amended by Special Resolution on 19th May 1988, 22nd February 1990, and 23rd February 2011. The Articles of Association state that the business of the company shall be managed by the Couple Counselling Lothian Board. We are proposing to change our legal name to Bright Light at our next AGM in December 2017, should this be confirmed, our Memorandum and Articles of Association will be changed in line with OSCR and Companies House requirements. The service is registered as a charity in Scotland as SC011989.

COUPLE COUNSELLING Lothian
(A Company Limited by Guarantee)

REPORT of the COUPLE COUNSELLING Lothian BOARD continued

For the year ended 31 March 2017

Recruitment and Appointment of the CCL Board

The Board consists of no fewer than 5 and not more than 12 members. The Board may appoint any member to fill either a casual or permanent vacancy in its number provided the prescribed maximum is not exceeded.

Any member so appointed shall retain office until the next Annual General Meeting at which point they will be eligible for re-election.

Kareen Rodger, Trustee and Treasurer, left the Board in March 2017 after contributing many years of financial wisdom, energy, and commitment for which we will always be grateful. Jackie McRae was another long term much experienced Trustee who also left us in March 2017. Both have gone to pursue other personal and professional interests and the Board acknowledges with significant thanks all they have contributed to Bright Light. To secure the best people for the role of Board Member, plus our commitment to equal opportunities, any vacancies are advertised widely. We offer 'an informal getting to know each other' meeting to interested candidates before applications are completed by interested candidates. Those selected for interview meet with a panel consisting of Board members and CEO. The delegated panel present their recommendations at the next Board meeting and new Board members are accepted on the Board with formal adoption taking place at the next AGM. References of new Board members are always taken up and reviewed.

Director Induction and Training

New members to the Board are given a role description, copy of our Memorandum and Articles of Association, most recent financial statements, Business Plan, and all are signposted to the OSCR governance website that all our Board refer to on an ongoing basis. We are currently testing out a buddying system between existing and new members to see if this is valuable. All new board members receive induction to the organisation and staff, plus governance training for new and refresher updates for existing Board members. We also had a well attended and enthusiastic Away Day in 2016 resulting in our 5 Year Strategic Plan 2017-2022. Regular skills audits are completed and reviewed by the Board to identify strengths and gaps in its membership and for succession planning. A training programme is developed to fill some of the gaps identified.

Organisational structure

In order to cover the opening times at Dundas Street from 9am to 9pm four days per week and from 9am to 5pm on a Friday and from 10am to 2pm on Saturdays there are 3 part time receptionists and one full time post, the Client Relationship Manager leads the front of house-team.

The Senior Management Team consist of The Chief Executive, Counselling Practice Manager, and Client Relationship Manager, (plus invaluable contributions from the Finance Manager who works one day per week), and it meets regularly to review and develop services, share learning and good practice, and vitally, forward plan. Our part time Finance Manager manages the finances and reports to the CEO, Treasurer, and Board of Trustees.

At 31 March 2017 there were 21 paid counsellors/therapists, 5 volunteer counsellors, 15 student/placements, and 13 paid supervisors.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Key management personnel and remuneration policy

The directors consider the board of directors, who are also the trustees, the Chief Executive, the Practice Manager, Lead of Family Therapy and the Client Relationship Manager to comprise the key management personnel of the charity as they are in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give their time freely and no director received remuneration nor expenses in the year.

The remuneration policy of the charity is:

"Directors' remuneration and expenses – extract from Memorandum and Articles of Association -

151. Subject to the permissible exceptions in Articles 9 and 15 no Director shall be entitled to any remuneration, whether in respect of her or his serving as a Director or as a holder of any executive office under the Company

152. A Director may be paid all reasonable travel, subsistence and other expenses incurred by him or her in connection with her or his attendance at meetings of the Directors, sub-committees of the Directors, general meetings of the Company or otherwise in connection with the discharge of her or his duties."

Responsibilities of the Couple Counselling Lothian Board

The CCL Board (who are also Directors of Couple Counselling Lothian for the purposes of company law) are responsible for preparing the Report of the Couple Counselling Lothian Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the CCL Board to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the CCL Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Members of the Couple Counselling Lothian Board

Members of the CCL Board, who are Directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

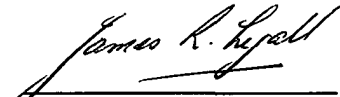
REPORT of the COUPLE COUNSELLING LOTHIAN BOARD continued

For the year ended 31 March 2017

Small company exemptions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Couple Counselling Lothian Board on 12th SEPT. 2017 and signed on its behalf by



James Lyall
Chair

**INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS
AND MEMBERS OF COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)**



I report on the financial statements of the charity for the year ended 31 March 2017 which are set out on pages 13 to 24.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

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

- 1 which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Jeremy Chittleburgh BSc CA
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Independent Examiner
61 Dublin Street
Edinburgh, EH3 6NL

26 / 9 / 2017

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

STATEMENT of FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

For the year ended 31 March 2017

		Unrestricted Funds		Restricted Funds	Total Funds 2017	Total Funds 2016
	Notes	Designated Reserves	General Reserve			
		£	£	£	£	£
Income from:						
Donations	3	-	179,293	-	179,293	199,354
Charitable activities	4	-	54,697	47,596	102,293	145,352
Investments		-	412	-	412	83
Total income		-	234,402	47,596	281,998	344,789
Expenditure on:						
Charitable activities	5	33,969	302,337	49,263	385,569	344,497
Total expenditure		33,969	302,337	49,263	385,569	344,497
Net (expenditure)/income and net movement in funds before transfers		(33,969)	(67,935)	(1,667)	(103,571)	292
Transfers between funds		-	(7,000)	7,000	-	-
Net expenditure and net movement in funds for the year		(33,969)	(74,935)	5,333	(103,571)	292
Reconciliation of funds						
Total funds brought forward		447,385	100,776	-	548,161	547,869
Total funds carried forward	14	413,416	25,841	5,333	444,590	548,161

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

The notes on pages 16 to 24 form part of these financial statements.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

BALANCE SHEET

For the year ended 31 March 2017

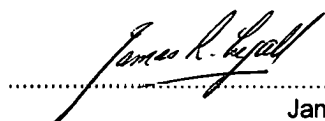
	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	9		353,580		355,761
Current assets					
Debtors	10	2,591		28,041	
Cash at bank and in hand		167,540		196,172	
		170,131		224,213	
Creditors: amounts falling due within one year	11	(79,121)		(31,813)	
Net current assets			91,010		192,400
Net assets			444,590		548,161
Funds	14				
Unrestricted funds					
General funds		25,283		100,776	
<i>Designated funds</i>					
Capital reserve		353,580		355,761	
Specialist therapies		5,000		35,000	
Building improvement/infrastructure		40,184		40,184	
Training reserve		13,770		15,000	
Research budget		1,440		1,440	
			439,257		548,161
Restricted funds			5,333		-
			444,590		548,161

For the year ending 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).


James Lyall

Chair

Company No: SC110621

12.9.17

The notes on pages 16 to 24 form part of these financial statements.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

STATEMENT OF CASHFLOWS

For the year ended 31 March 2017

	Notes	2017 £	2016 £
Net cash from operating activities	17	(28,487)	14,027
Cash flows from investing activities			
Investment income		412	83
Purchase of fixed assets		(557)	(5,111)
Cash used in investing activities		(145)	(5,028)
Increase in cash and cash equivalents		(28,632)	8,999
Cash and cash equivalents at the beginning of the year		196,172	187,173
Cash and cash equivalents at the end of the year		167,540	196,172

The notes on pages 16 to 24 form part of these financial statements.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2017

1. Company information

Couple Counselling Lothian is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC110621. The registered office is 9a Dundas Street, Edinburgh, EH3 6QG. The financial statements have been presented in Pounds Sterling as this is the functional and presentational currency of the company.

2. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Couple Counselling Lothian meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The financial statements have been prepared on a going concern basis. The CCL Board have assessed the charitable company's ability to continue as a going concern and have reasonable expectations that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the Directors in furtherance of the general objectives of the charity. Unrestricted funds include designated funds, the purposes of which are explained in Note 14.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

2. Accounting policies continued

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial activities (SoFA) when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these financial statements.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources expended

Expenditure is recognised on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Where this is not possible, expenses are allocated on the basis of time spent by staff on each activity.
- Within support costs are governance costs, which include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Significant judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for carrying amounts of tangible assets.

Fixed assets

All tangible fixed assets having a value to the charity greater than one year, other than those acquired for specific purposes, are capitalised. Depreciation is provided on a straight line basis to write off the cost as initial value, less residual value, of tangible fixed assets over their estimated useful lives as follows:

Office equipment – 3 years
Office furniture – 3 years

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

2. Accounting policies continued

The heritable property was revalued by J & E Shepherd on 16 July 2013. No depreciation is charged on the property. The property is maintained in a good state of repair and the CCL Board are of the opinion that the estimated realisable value of the property is not materially different to the valuation and therefore any depreciation would be immaterial on an aggregate basis.

Taxation

Couple Counselling Lothian's charitable activities fall within the exemptions afforded by part 11 of the Corporation Tax Act 2010. Accordingly, there is no Corporation Tax charge in these financial statements.

Pension costs

Pension contributions are made to an approved money purchase scheme. These are charged in the year in which they are incurred.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charitable 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.

VAT

The company is not registered for VAT and accordingly expenditure includes VAT where appropriate.

3. Donations	Unrestricted	Restricted	2017	2016
	£	£	Total	Total
			£	£
The Binks Trust	1,000	-	1,000	1,000
Dedridge Medical Centre	115	-	115	95
Stirling University	-	-	-	901
Relate	1,894	-	1,894	1,618
Nancy Massie Trust	-	-	-	1,000
Cruden Foundation	-	-	-	1,000
Bailey Thomas	3,000	-	3,000	-
MYPAS	420	-	420	-
Other donations from individuals	172,864	-	172,864	193,740
	179,293	-	179,293	199,354
	=====	=====	=====	=====

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

4. Income from Charitable activities

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Grants				
City of Edinburgh Council	15,639	-	15,639	16,462
West Lothian Council	11,382	-	11,382	11,269
East Lothian Council	-	-	-	10,000
Violence Against Women	-	-	-	10,000
Relationships Scotland	27,213	-	27,213	31,294
Children and Families	-	4,878	-	5,122
Morrison's	-	-	-	5,900
Family Therapy Training Network	-	-	-	34,767
Henry Duncan Awards	-	2,666	2,666	4,000
City of Edinburgh Council Schools Funding	-	667	667	-
The Volant Trust	-	-	-	15,000
The Robertson Trust	-	5,000	5,000	-
Keys2Life	-	27,552	27,552	-
Big Lottery Fund	-	6,500	6,500	-
Forth Radio Cash4Kids	-	333	333	-
Other				
Room hire	463	-	463	1,538
	<u>54,697</u>	<u>47,596</u>	<u>102,293</u>	<u>145,352</u>

	Charitable activities £	Governance costs £	Total 2017 £	Total 2016 £
5. Resources expended				
Other operating charges				
Audit fee	-	-	-	2,105
Independent Examination fee	-	1,982	1,982	-
Administration costs	66,180	-	66,180	57,169
Repairs and maintenance	7,819	-	7,819	7,819
Professional fees	11,464	-	11,464	12,347
	<u>85,463</u>	<u>1,982</u>	<u>87,445</u>	<u>79,440</u>
Staff costs				
Salaried employees	174,672	-	174,672	151,503
Sessional counsellors*	123,452	-	123,452	113,554
	<u>383,587</u>	<u>1,982</u>	<u>385,569</u>	<u>344,497</u>

*Sessional counsellors' costs include supervision fees of £17,142 (2016: £9,098).

6. Staff costs and numbers

	2017 £	2016 £
Staff costs were as follows:		
Wages and salaries	163,324	145,587
Social security costs	7,513	2,223
Pension costs	3,835	3,693
	<u>174,672</u>	<u>151,503</u>

No employee received emoluments of more than £60,000.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

6. Staff costs and numbers (continued)

The average number of employees during the year, calculated on the basis of headcount, was as follows:

	2017	2016
Average no. of staff	11	9
	=====	=====

The charity contributes to the SCVO Money Purchase Pension Fund for Senior Staff members. Contributions outstanding at the year-end amounted to £397 (2016: £316).

The key management personnel of the charitable company comprise the Trustees, the Chief Executive, the Practice Manager, Lead of Family Therapy and the Client Relationship Manager. The total employee benefits of the key management personnel of the charitable company during the year were £128,388 (2016: £108,106). This year's figure includes employer's national insurance contributions amounting to £10,696.

7. Trustee remuneration and related party transactions

No members of the board of trustees received any remuneration or reimbursement of expenses during the year.

No members of the board of trustees or other person related to the charity had any personal interest in any contract or transactions entered into by the charity during the year (2016: Nil).

8. Taxation

As a charity, Couple Counselling Lothian is exempt from tax on income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

9. Fixed Assets	Heritable Property £	Office Furniture	Office Equipment £	Total £
Cost or valuation				
At 1 April 2016	350,000	990	13,193	364,183
Additions	-	175	383	558
	-----	-----	-----	-----
At 31 March 2017	350,000	1,165	13,576	364,741
	-----	-----	-----	-----
Depreciation				
At 1 April 2016	-	475	7,947	8,422
Charge for year	-	297	2,442	2,739
	-----	-----	-----	-----
At 31 March 2017	-	772	10,389	11,161
	-----	-----	-----	-----
Net Book Value				
At 31 March 2017	350,000	393	3,187	353,580
	=====	=====	=====	=====
At 31 March 2016	350,000	515	5,246	355,761
	=====	=====	=====	=====

The heritable property was revalued by J&E Shepherd on 16 July 2013 in accordance with the RICS Valuation Standards 2012 as amended. The valuation was on the basis of vacant possession. The CCL Board are of the opinion that this valuation is representative of the property's value as at the year end. No details of the original historic cost of the property to the charity are available.

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

10. Debtors

	2017	2016
	£	£

Other debtors and prepayments	2,591	28,041
	=====	=====

11. Creditors

	2017	2016
	£	£

Taxation and social security	3,049	4,733
Other creditors and accruals	21,176	21,020
Deferred income (note 12)	54,896	6,060
	-----	-----
	79,121	31,813
	=====	=====

12. Deferred income

	At 1 April 2016	Received in year	Released in year	At 31 March 2017
	£	£	£	£
Lloyds TSB Foundation	-	4,000	2,667	1,333
The Robertson Trust	-	14,000	5,000	9,000
Radio Forth Cash 4 Kids	-	2,000	333	1,667
Big Lottery Fund	-	31,500	6,500	25,000
City of Edinburgh Council Schools Funding	-	4,667	667	4,000
Leith Links Community Council	-	2,400	-	2,400
West Lothian Council 2017-18 Funding	-	11,496	-	11,496
Keys2Life	6,060	21,492	27,552	-
	-----	-----	-----	-----
	6,060	91,555	42,719	54,896
	=====	=====	=====	=====

Deferred grants have been received in advance for future periods or projects starting in the future.

13. Analysis of net assets between funds	General Fund	Designated Reserves	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	353,580	-	353,580
Current assets	104,962	59,836	5,333	170,131
Current liabilities	(79,121)	-	-	(79,121)
	-----	-----	-----	-----
Net assets at 31 March 2017	25,841	413,416	5,333	444,590
	=====	=====	=====	=====

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

14. Movement in funds	At 1 April 2016 £	Incoming resources (inc gains) £	Outgoing resources £	Transfers £	At 31 March 2017 £
Restricted funds					
Children and Families	-	4,878	(4,878)	-	-
Henry Duncan Awards	-	3,333	(5,053)	1,720	-
Scottish Government Keys2Life	-	27,552	(30,886)	3,334	-
The Robertson Trust	-	5,000	(6,946)	1,946	-
Big Lottery Fund	-	6,500	(1,500)	-	5,000
Forth Radio Cash4Kids	-	333	-	-	333
Total restricted funds	-	47,596	(49,263)	7,000	5,333
Unrestricted funds					
General fund	100,776	234,402	(302,337)	(7,558)	25,283
<i>Designated funds</i>					
Capital reserve	355,761	-	(2,739)	558	353,580
Specialist therapies	35,000	-	(30,000)	-	5,000
Building improvement/infrastructure	40,184	-	-	-	40,184
Training reserve	15,000	-	(1,230)	-	13,770
Research budget	1,440	-	-	-	1,440
Total unrestricted funds	548,161	234,402	(336,306)	(7,000)	439,257
Total funds	548,161	281,998	(385,569)	-	444,590

Transfers

Transfers totalling £7,000 were made from the general fund to the Henry Duncan Awards, Scottish Government Keys2Life fund and The Robertson Trust fund to fund overspends in relation to the respective grants. A transfer of £558 to the capital reserve was made for the additions in the year.

Purpose of Restricted Funds

Children and Families – to support children and families struggling with relationship issues

Henry Duncan Awards – to deliver our work in schools for young people

Scottish Government Keys2Life - to fund counselling support for parents with learning disabilities

The Robertson Trust – to fund systemic family therapy

Big Lottery Fund – to fund systemic family therapy

Forth Radio Cash4Kids – to fund counselling support for children and young people

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

14. Movement in funds continued

Purpose of Designated Funds

Capital reserve - funds have been designated which represent the total fixed assets of the charity. Depreciation is charged to this fund on an annual basis.

Specialist therapies - funds set aside for training and development of specialist therapies.

Building improvements/infrastructure - essential building maintenance and the installation of central heating.

Training reserve - support and training for further placements and trainees.

Research budget - funds set aside for research into restorative practice.

15. Other accounting services

In common with many other companies of our size we use our independent examiner to assist with the preparation of the financial statements.

16. Commitments under operating leases

At 31 March 2017, the charity had annual total commitments under non-cancellable operating leases as set out below.

	2017 £	2016 £
Operating leases which expire		
Within 1 year	2,016	2,016
Within 2 to 5 years	2,016	4,032
	=====	=====

The operating lease expense for the year was £2,016 (2016: £2,016).

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net movement in funds	(103,571)	292
Add back depreciation charge	2,739	2,102
Deduct interest income	(412)	(83)
(Increase)/decrease in debtors	25,449	(3,657)
Increase/(decrease) in creditors	47,308	15,373
	-----	-----
Net cash from operating activities	(28,487)	14,027
	=====	=====

COUPLE COUNSELLING LOTHIAN
(A Company Limited by Guarantee)

NOTES to the FINANCIAL STATEMENTS continued

For the year ended 31 March 2017

18. Prior year Statement of Financial Activities

	Unrestricted Funds		Restricted Funds	Total Funds 2016
	Designated Reserves	General Reserve		
	£	£	£	£
Income and endowments from:				
Donations and grants	-	199,354	-	199,354
Charitable activities	-	66,463	78,889	145,352
Investments	-	83	-	83
Total income	-	265,900	78,889	344,789
Expenditure on:				
Charitable activities	29,563	219,316	95,618	344,497
Total expenditure	29,563	219,316	95,618	344,497
Net (expenditure)/income and net movement in funds before transfers	(29,563)	46,584	(16,729)	292
Gross transfers between funds	10,756	(20,803)	10,047	-
Net income/(expenditure) and net movement in funds for the year	(18,807)	25,781	(6,682)	292
Total funds brought forward	466,192	74,995	6,682	547,869
Total funds carried forward	447,385	100,776	-	548,161