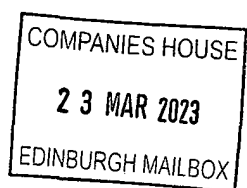


Charity Number: SC011989
Company Number: SC110621



BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD
(A Company Limited by Guarantee)

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2022



C
T

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD
(A Company Limited by Guarantee)

REPORT and FINANCIAL STATEMENTS

For the year ended 31 March 2022

Content	Page
Report of the Bright Light Relationship Counselling Board	1 – 8
Independent Auditors Report to Members	9 – 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cashflows	14
Notes forming part of the financial statements	15 – 26

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD

For the year ended 31 March 2022

Reference and Administrative Information

Charity Name: Bright Light Relationship Counselling Ltd (also known as Bright Light)

Charity registration number: SC011989

Company registration number: SC110621

Registered Office and operational address: 18 York Place
Edinburgh
EH1 3EP

Bright Light Relationship Counselling Board (Trustees and Directors)

Nicola Campbell (appointed 18 January 2022)
Lynn Erry (appointed 18 February 2022)
Samantha MacKinnon
Simon Massey
Nina Taylor (appointed 18 February 2022)
Jacqueline Thomson (appointed 1 August 2022)
Georgia Artus (resigned 29 September 2021)
Graham Curran (resigned 29 April 2021)
Daniel Handsley (resigned 29 September 2021)
James Lyall (resigned 25 May 2022)
Ceit-Anna Macleod (resigned 28 July 2022)
Alistair Marquis (resigned 25 May 2022)
John Rowan (resigned 29 September 2021)
Elspeth Turner (resigned 25 May 2022)

Secretary

Julie Hogg-Weld (resigned 17 March 2022)
Mark Mackenzie-Smith (appointed 9 August 2022)

Chief Executive

Julie Hogg-Weld (to 17 March 2022)
Mark Mackenzie-Smith (from 20 March 2022)

Auditor

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

Bankers

Virgin Money
83 George Street
Edinburgh
EH2 3ES

Investment Managers

RBC Brewin Dolphin
144 Morrison Street
Edinburgh
EH3 8BR

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

Bright Light Relationship Counselling 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 2022. The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, the recommendations of 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 2019) (Charities SORP (FRS 102)) and comply with applicable law.

Objectives and Activities

Bright Light Relationship Counselling (henceforth referred to as Bright Light) 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 and high-quality counselling, therapy and wellbeing service in Edinburgh and the Lothians for people in relationships.

Our Mission

As a charity we deliver a professional high-quality service in Edinburgh and the Lothians to strengthen, promote, and enable close personal relations and emotional wellbeing.

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 75 year 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

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

Key objectives:

Objective 1: We will sustain the suite of high-quality 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 i.e. 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 whilst retaining accessibility to our services whenever possible.

Objective 4: Ensure efficient and effective deployment and management of resources.

Objective 5: Build on our 75 years' successful history and professional reputation, further raising our profile and reach, whilst developing strong partnerships.

These objectives, as set out on Bright Light's 5-year Strategic Plan 2017-2022, were deemed by the Board to be appropriate for Financial Year 2021-2022. Service delivery, financial records and staff activity were monitored monthly, and reports submitted to quarterly meetings of the Board of Trustees. The Board also monitors and, as necessary, reviews policies and procedures to ensure compliance with regulatory bodies and best current practice.

Achievements and performance

To meet the key objectives:

- The pandemic continued to impact on our work, but staff and counsellors provided professional counselling and therapy services to clients despite the restrictions;
- Our in-house digital expertise enabled us to successfully move to on-line counselling at the start of the Covid-19 pandemic without experiencing a drop in the number of counselling sessions delivered. As restrictions eased we began planning the return to face-to-face counselling ensuring we were ready to deliver a hybrid service when clients asked to meet in person;
- Demand to support people struggling with relationship and mental health and wellbeing issues increased as lockdown eased. Use of the website grew significantly and, along with our social media channels, was an essential tool for better engagement with clients and a wider audience. We introduced an on-line booking calendar to enable new clients to choose a date and time for their initial intake meeting and plan to implement the functionality across our range of services;
- We continued to source and regularly posted material on self-care and coping with stress and anxiety on social media;
- In 2020 we reviewed the staffing structure and began a programme of changes throughout 2021;
- Counsellors continued remote working and were supported with monthly counsellor meetings, ongoing group supervision and regular CPD sessions;
- Scottish Whisky Action Funding that enabled our Systemic Family Therapy Team to support young people and their families, ended and a five-year grant from The Robertson Trust enabled continuation of Family Therapy services;
- The Board of Trustees continued to meet online. Meeting frequency was bi-monthly rather than quarterly to aid decision making on urgent issues. Subgroups of the Board enable trustees to work with senior management between meetings on: reporting; staffing; finance; and property and investment.
- We passed our annual COSCA assessment and met the Relationships Scotland quality assurance requirements;

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

Achievements and performance – continued

- We have maintained relationships with contacts in all four local authorities and with third sector organisations working in related fields and continued to contribute to key consultations, cross-party working groups and numerous networks across Scotland.

Counselling and therapy offered and delivered

The number of counselling sessions continued to climb as clients became more comfortable with on-line counselling. A total of 4,964 sessions were delivered to individuals and couples compared with 4,417 in 2020-2021.

Financial review

In the year to 31 March 2022, income totalled £793,101 (2021: £482,211) and expenditure totalled £561,942 (2021: £444,275). The increase in income being largely as a result of the sale of our offices which generated a gain on sale of £370,000. Unrestricted reserves (excluding the designated reserves) increased during the year by £446,924 to a balance of £548,764. As detailed in Note 17, the Trustees have designated £170,780 of funds at the year-end towards activities that they expect to take place during the forthcoming and future years.

Principal funding sources

We would like to acknowledge our many funders for their support but wish specially to thank the following for particularly generous support:

The Wellbeing Fund, The Robertson Trust, Scottish Whisky Action Fund, Corra Foundation, Henry Duncan Fund, EVOC, Arnold Clark Community Fund, Women's Fund, Foundation Scotland, Communities Recovery Fund, Adapt & Thrive (First Port), National Lottery (Awards for all).

Reserves policy

The Trustees 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 unrestricted 'free' reserves, excluding funds designated for particular purposes at 31 March 2022 were £548,764.

The level of restricted reserves held at the year-end amounted to £nil. Further details of the restricted funds received during the year are given in Note 17.

The Trustees' objective for 2022/2023 is to conserve reserves.

Investment policy

The Trustees of Bright Light have appointed RBC Brewin Dolphin to manage the underlying assets on a discretionary basis. This requires the Investment Manager to make the day-to-day decisions regarding investments within the portfolio, with the Trustees setting out the overall objectives and parameters.

The invested assets of Bright Light Relationship Counselling are unrestricted and invested with the objective of growing the value of the capital over the long term and to generate a natural income which will help subsidise counselling services in time. The investments are well diversified across different asset classes, underlying sectors, and geographies.

The initial investment of £556,174 was made towards the end of Bright Light's financial year, against a backdrop of rising inflation, compounded by Russia's invasion of Ukraine which served to drive energy and food prices sharply higher and markets lower. Nevertheless, in this short period, the investments did provide a modestly positive return.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

Investment policy (continued)

As at 31 March 2022, the portfolio was valued at £563,659, representing a rise of 1.6%, in total return terms since the first transactions were undertaken on 19 January 2022. This compares with a 0.4% increase in the Brewin Dolphin Risk Category 6 Benchmark (on a scale of 1-10, low to high risk).

Bright Light Relationship Counselling's assets are invested in line with its aims and specifically investment in companies where the majority of turnover comes from, alcohol, gambling, payday lending, armaments, pornography, and tobacco are excluded. The Trustees have also asked the investment manager to incorporate Environmental, Social and Governance (ESG) considerations, alongside robust financial analysis within the stock selection process. The Trustees meet annually with the investment manager and are comfortable that the long-term strategy remains appropriate.

There were no withdrawals from the portfolio during the reporting period.

Principal risks and uncertainties

The rising cost of living, along with increased energy costs and the global recovery from Covid-19 is impacting the levels of affordable counselling. Funding bodies, including Scottish government are likely to reduce award values in order to meet the increased numbers of applications and open funding availability to a wider range of applicants. 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 and strategies are in place to mitigate exposure to major risks.

To date, principal 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.***
The final quarter of 2021-22 and the first quarter of 2022-23 saw, significant change for Bright Light. This included a change in CEO and a number of changes at Board level including a new Chair, Vice-chair and Treasurer plus new Trustees. Handover and induction programmes are in place to ensure changes go as smoothly as possible.
- ***Potential reduction in income/client contributions due to Covid-19/ potentially Brexit.***
Bright Light will continue to offer affordable accessible counselling and therapy to as many clients as we can within budget by increasing our on-line offer as well as encouraging a gradual return to face-to-face counselling. Capital released by the sale of the Dundas Street premises has been invested with a view to generating an additional income stream. We continue to identify and apply for new funding streams and to build and maintain partnerships and relationships with ongoing funders. We are committed to tightly controlling expenditure.
- ***Our counselling services don't meet client perceptions***
We actively seek client, counsellor and staff feedback and make changes aligned to changing needs and improving services.
- ***Our staff skills and experience do not match our operational needs.***
We continue to review our organisational needs, staffing levels and structure and model of delivery and to invest in the ongoing professional development and support of staff and counsellors.

Plans for future periods

We aim throughout 2022/2023 and beyond to:

- Ensure Bright Light continues to be financially sustainable;
- Develop and adopt a new 2023-26 Strategic Plan;
- Continue to deliver a hybrid model of online and face-to-face counselling;
- Build our social media presence and marketing activity to raise awareness of Bright Light's services and increase counselling capacity and client numbers;

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

Plans for future periods (continued)

- Ensure we are as accessible and affordable to all as possible;
- Develop our community fundraising;
- Take forward the staffing plan developed by a staffing subgroup comprising trustees and staff;
- Keep the staffing plan under review including pay levels;
- Explore further potential relationships/partnerships with corporate, statutory bodies and other third sector organisations;
- Contribute to consultations and networks as appropriate to influence policy and standards of service delivery ensuring relationships remain at the centre.

Structure, Governance and Management

Bright Light Relationship Counselling is our registered legal name (in June 2018 we changed our name from Couple Counselling Lothian and became registered as Bright Light Relationship Counselling Ltd with Companies House). Our Memorandum and Articles of Association were revised at Board Meeting 10 October 2019 and recorded/accepted by OSCR and Companies House accordingly.

We first started providing a much-used counselling service in 1947 and are one of the oldest and largest counselling organisations in Edinburgh and the Lothians. We are a company limited by guarantee having no share capital and are governed by Memorandum and Articles of Association dated 15 April 1988 and amended by Special Resolution on 19 May 1988, 22 February 1990, 23 February 2011 and 10 October 2019. The service is registered as a charity in Scotland as SC011989.

The Board consists of no fewer than 5 and not more than 12 members who are the trustees for the purposes of charity law. 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. As of 31 March 2022, we had 10 trustees on the Board.

John Rowan stepped down as Vice Chair in September 2021 and Simon Massey took on the role at that point. Nicola Campbell took up the role of Treasurer in January 2022. Simon Massey replaced Elspeth Turner as Chair in May 2022 when Elspeth stood down, at which point Samantha MacKinnon took on the role of Vice-chair.

Recruitment and Appointment of the Bright Light Board

Regular skills audits are completed and reviewed by the Board to identify strengths and gaps in its membership and inform succession planning. Trustee vacancies are advertised widely and candidates are selected for interview with a view to maximising diversity and the range of skills, experience and expertise available to the Board. Subject to satisfactory references, new Board members are recommended to the Board and invited to join the Board.

Trustee 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 are signposted to the OSCR governance website. New Board members receive induction to the organisation and staff, plus governance training and, along with existing board members, are invited to attend refresher updates and advised to check the OSCR and SCVO websites for updates and other relevant information to keep their knowledge current. In addition to four quarterly meetings of the Board, the AGM and annual Away Days trustees may be asked to participate in extraordinary meetings to discuss particular issues e.g. staffing structure, or, as was necessary during the covid19 lockdown, situations requiring prompt action to manage and emergent risk. They may also be invited to contribute to working groups set up as necessary.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

Organisational structure

During lockdown the Dundas Street premises were closed to clients and sold in August 2021.

The Senior Management Team is attended by the CEO, Depute CEO, Counselling Practice Manager, Client Relationship Manager and the Finance Manager and meet online monthly. The Finance Subgroup meets regularly between Board meetings.

At 31 March 2022, there were 26 counsellors/therapists, 4 self-employed group supervisors and 4 intake workers. All are self-employed, paid and work part time hours.

The Ops team responsible for facilitating client/counsellor appointments comprises of 5.63 full time equivalent staff.

Key management personnel and remuneration policy

The Chief Executive, Depute CEO, Finance Manager, Counselling Practice Manager, and Administration Team Manager are considered by the Board to comprise the key management personnel of the charity. They are responsible for directing and controlling, running and operating the charity on a day to day basis and are accountable to the Board.

The Chief Executive reports to the Board and, as Company Secretary, is responsible for preparation and delivery of Board papers to the Board.

The remuneration policy of the charity is: All Trustees give their time freely and no Trustee received remuneration in the year. The salaries of key management are set through a benchmarking exercise with other similar sized charities. Bright Light previously commissioned Worknest, an independent HR consultancy to carry out a market-based pay review for all staff, to ensure salaries were commensurate with the responsibilities of the job and competitive in the marketplace. Year on year cost of living increases are factored into the budget. To both retain and attract key talent the charity is structured to enable progression and career development along with appropriate pay awards.

Responsibilities of the Bright Light Relationship Counselling Board

The Bright Light Relationship Counselling Board (who are also Directors of Bright Light for the purposes of company law) are responsible for preparing the Report of the Bright Light Relationship Counselling Ltd 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 Bright Light Relationship Counselling Ltd 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 Bright Light Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Charities SORP (FRS 102));
- 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.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

REPORT of the BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD BOARD (continued)

For the year ended 31 March 2022

The Trustees are 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). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Members of the Bright Light Relationship Counselling Ltd Board

Members of the Bright Light Relationship Counselling Ltd 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.

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 Bright Light Board on ^{21 March 2023} and signed on its behalf by

Simon Massey

Simon Massey
Chair

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD



Opinion on financial statements

We have audited the financial statements of Bright Light Relationship Counselling Ltd ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Other matter

The financial statements of the charitable company for the year ended 31 March 2021 were not subject to audit as, in the opinion of the Trustees, the company was exempt from audit under the provision of section 477 of the Companies Act 2006.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF
BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD (Continued)**



Other information (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out on page 8 the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF
BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD (Continued)**



Auditor's responsibilities for the audit of the financial statements (continued)

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. This included but was not limited to the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and The Charities Accounts (Scotland) Regulations 2006.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of the Trustees and key management personnel;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, in accordance with section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charitable company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its members as a body, and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Malcolm R Beveridge

Malcolm Beveridge CA (Senior Statutory Auditor)

For and on behalf of

CHIENE + TAIT LLP

Chartered Accountants and Statutory Auditor

61 Dublin Street

Edinburgh, EH3 6NL

21 March 2023

Chiene + Tait is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD
(A Company Limited by Guarantee)

STATEMENT of FINANCIAL ACTIVITIES
(including Income and Expenditure Account)

For the year ended 31 March 2022

	Notes	Unrestricted funds Designated Reserves £	General Reserve £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income from:						
Donations	3	-	228,064	-	228,064	195,683
Charitable activities	4	-	37,054	157,162	194,216	274,906
Investments		-	821	-	821	57
COVID-19 grant income		-	-	-	-	11,565
Sale of property		-	370,000	-	370,000	-
Total income		-	635,939	157,162	793,101	482,211
Expenditure on:						
Charitable activities	6	3,105	401,675	157,162	561,942	444,275
Total expenditure		3,105	401,675	157,162	561,942	444,275
Net income/(expenditure) before investment gains		(3,105)	234,264	-	231,159	37,936
Net gains on investments	11	-	7,485	-	7,485	-
Net income/(expenditure) before transfers	5	(3,105)	241,749	-	238,644	37,936
Transfers between funds		(205,175)	205,175	-	-	-
Net movement in funds for the year		(208,280)	446,924	-	238,644	37,936
Reconciliation of funds						
Total funds brought forward		379,060	101,840	-	480,900	442,964
Total funds carried forward	17	170,780	548,764	-	719,544	480,900

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

The notes on pages 15 to 26 form part of these financial statements.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD
(A Company Limited by Guarantee)

BALANCE SHEET

For the year ended 31 March 2022

	Notes	2022	2021
		£	£
Fixed assets			
Tangible assets	10	7,280	355,868
Investments	11	563,659	-
		<u>570,939</u>	<u>355,868</u>
Current assets			
Debtors	12	1,826	5,792
Cash at bank and in hand		222,083	326,428
		<u>223,909</u>	<u>332,220</u>
Creditors: amounts falling due within one year	13	(75,304)	(165,521)
Net current assets		148,605	166,699
Creditors: amounts falling due after one year	15	-	(41,667)
Net assets	16	<u>719,544</u>	<u>480,900</u>
		=====	=====
Funds	17		
Unrestricted funds			
General funds		548,764	101,840
<i>Designated funds</i>			
Capital reserve		7,280	355,868
Building improvement/infrastructure		-	15,982
Training reserve		-	5,770
Research budget		-	1,440
Salary benchmarking exercise		27,500	-
Staff restructuring programme		10,000	-
York Place redecoration		6,000	-
Technical development costs		20,000	-
Relocation costs		50,000	-
Counselling costs subsidy		50,000	-
		<u>719,544</u>	<u>480,900</u>
Restricted funds		-	-
		<u>719,544</u>	<u>480,900</u>
		=====	=====

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).

Simon Massey

Simon Massey

21 March 2023

Chair

Company No: SC110621

The notes on pages 15 to 26 form part of these financial statements.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD
(A Company Limited by Guarantee)

STATEMENT OF CASHFLOWS

For the year ended 31 March 2022

	Notes	2022 £	2021 £
Net (cash used in)/provided by operating activities	19	(212,706)	170,892
Cash flows from investing activities			
Investment income		821	57
Proceeds from the sale of property		720,000	-
Purchase of fixed assets		(6,286)	(2,909)
Purchase of investments		(556,174)	-
Net cash provided by/(used in) investing activities		158,361	(2,852)
Cash flows from financing activities			
Bounce back loan		-	50,000
Repayment of bounce back loan		(50,000)	-
Net cash (used in)/provided by financing activities		(50,000)	50,000
(Decrease)/increase in cash and cash equivalents		(104,345)	218,040
Cash and cash equivalents at the beginning of the year		326,428	108,388
Cash and cash equivalents at the end of the year		222,083	326,428
		=====	=====
Cash at bank and in hand		105,949	224,817
Short-term deposit		116,134	101,611
		222,083	326,428
		=====	=====

Analysis of changes in net debt

	At start of year £	Cash- flows £	Other non-cash changes £	At end of year £
Cash and cash equivalents	326,428	(104,345)	-	222,083
	-----	-----	-----	-----
Loans falling due within one year	(8,333)	8,333	-	-
Loans falling due in more than one year	(41,667)	41,667	-	-
	-----	-----	-----	-----
Total	276,428	(54,345)	-	222,083
	=====	=====	=====	=====

The notes on pages 15 to 26 form part of these financial statements.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2022

1. Company information

Bright Light Relationship Counselling Ltd is a company limited by guarantee incorporated and domiciled in Scotland with registered company number SC110621. The registered office is 18 York Place, Edinburgh, EH1 3EP. The financial statements have been presented in Pounds Sterling and rounded to the nearest £ 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) (second edition – October 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Bright Light 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 Trustees have assessed the charitable company's ability to continue as a going concern and have reasonable expectations that the charity 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 17.

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

Income

All income is 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.
- Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2022

2. Accounting policies (continued)

Expenditure

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 charitable 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

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

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals in the year.

The charity does not acquire put options or derivatives or other complex financial instruments.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year-end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****2. Accounting policies (continued)****Taxation**

Bright Light'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 charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

3. Donations	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Other donations from individuals	228,064	-	228,064	195,683
	=====	=====	=====	=====

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****4. Income from Charitable activities**

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Grants				
The Robertson Trust	-	40,975	40,975	-
First Port Ltd	-	57,470	57,470	49,996
Relationship Scotland	27,213	-	27,213	27,213
The Bank of Scotland Foundation	-	15,000	15,000	-
EVOC	-	500	500	-
Foundation Scotland	-	11,180	11,180	-
The National Lottery Communities Recovery Fund	-	9,188	9,188	3,312
The National Lottery Awards for All	-	9,167	9,167	10,000
The Clothworkers Foundation	-	5,000	5,000	-
Scottish Whisky Action Fund	-	4,586	4,586	38,298
The Volant Trust	-	-	-	9,000
Crisis UK	-	-	-	5,000
Corra Foundation – Henry Duncan	-	4,096	4,096	3,000
Co-Op	1,178	-	1,178	-
Arnold Clark Community Fund	1,000	-	1,000	-
HSF Award	1,000	-	1,000	-
The Big Lottery Fund	-	-	-	99,700
CAF	-	-	-	9,500
City of Edinburgh Council	-	-	-	8,856
The Paterson Fund	-	-	-	2,000
Cash4Kids	-	-	-	1,960
Leeds Building Society	-	-	-	1,000
Turcan Connell	-	-	-	1,000
Other amounts < £1,000	1,194	-	1,194	500
Other				
Marketplace & Family Therapy	5,469	-	5,469	4,571
	<u>37,054</u>	<u>157,162</u>	<u>194,216</u>	<u>274,906</u>

5. Net income

Net income is stated after charging/(crediting):	2022 £	2021 £
Depreciation of tangible fixed assets	3,105	5,211
Interest on bank loans	449	-
Operating lease costs	22,362	2,284
Auditor's remuneration:		
Audit of the financial statements	6,600	-
	<u>30,987</u>	<u>7,495</u>

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

6. Expenditure	Charitable activities	Governance costs	Total 2022	Total 2021
	£	£	£	£
Other operating charges				
Independent Examination fee	-	-	-	1,980
Audit fee	-	6,600	6,600	-
Administration costs	79,938	-	79,938	55,969
Repairs and maintenance	2,409	-	2,409	1,303
Professional fees	32,561	-	32,561	12,907
	114,908	6,600	121,508	72,159
Staff costs				
Salaried employees (note 7)	263,851	-	263,851	215,464
Sessional counsellors	133,564	-	133,564	125,724
Self-employed management	43,019	-	43,019	30,928
	555,342	6,600	561,942	444,275
	=====	=====	=====	=====

*Sessional counsellors' costs include supervision fees of £16,066 (2021: £12,180).

7. Staff costs and numbers	2022	2021
	£	£
Staff costs were as follows:		
Wages and salaries	243,610	203,315
Social security costs	13,374	7,263
Pension costs	6,867	4,887
	263,851	215,464
	=====	=====

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

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

	2022	2021
Average no. of staff	18	16
	=====	=====

The charity contributes to the SCVO Money Purchase Pension Fund for Senior Staff members. Contributions outstanding at the year-end amounted to £2,774 (2021: £419).

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Julie Hogg-Weld, the Depute Chief Executive Mark Mackenzie Smith, the Counselling Practice Manager Tricia Adnan (until October 2021) and Claire Edwards (from October 2021), the Finance Manager Katy Mitchell (until March 2022), the Client Relationship/Ops Manager Louisa Richardson (until February 2021) and Dawn McConnell. The total employee benefits of the key management personnel of the charitable company during the year were £108,600 (2021: £126,083).

8. Trustee remuneration and related party transactions

No members of the board of trustees received any remuneration during the current and previous years. 1 member of the board of trustees received reimbursement of office based expenses of £96 during the year (2021: £nil).

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 (2021: Nil).

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****9. Taxation**

As a charity, Bright Light 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.

10. Fixed Assets	Heritable Property £	Office Furniture	Office Equipment £	Total £
Cost or valuation				
At 1 April 2021	350,000	11,412	21,453	382,865
Disposals	(350,000)	(5,950)	(14,811)	(370,761)
Additions	-	-	6,286	6,286
At 31 March 2022	-	5,462	12,928	18,390
Depreciation				
At 1 April 2021	-	9,122	17,875	26,997
Disposals	-	(4,921)	(14,071)	(18,992)
Charge for year	-	1,169	1,936	3,105
At 31 March 2022	-	5,370	5,740	11,110
Net Book Value				
At 31 March 2022	-	92	7,188	7,280
At 31 March 2021	350,000	2,289	3,578	355,868

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. During the year the property was sold for £720,000. No details of the original historic cost of the property to the charity are available.

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****11. Investments**

	Listed investments £	Total £
Valuation		
At 1 April 2021	-	-
Additions	556,174	556,174
Disposals	-	-
Realised gains/(losses)	-	-
Unrealised gains/(losses) on revaluation	7,485	7,485
At 31 March 2022	563,659	563,659
Historic cost		
At 31 March 2022	556,175	556,175
At 31 March 2021	-	-

Financial assets held at fair value

All investments are carried at their fair value. Investments in direct equities and fixed interest securities are traded in quoted public markets. The basis of fair value for the investments is equivalent to the market value, generally, on the basis of the middle market price at the close of business on the valuation date, and as supplied by external information providers. For certain securities, the price may be on a different basis, e.g. last trade or bid price.

12. Debtors	2022 £	2021 £
Other debtors and prepayments	1,826	5,792
	=====	=====
13. Creditors	2022 £	2021 £
Taxation and social security	5,675	2,151
Other creditors and accruals	22,796	16,827
Deferred income (note 14)	46,833	138,210
Bank loan (note 15)	-	8,333
	-----	-----
	75,304	165,521
	=====	=====

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****14. Deferred income**

	At 1 April 2021 £	Received in year £	Released in year £	At 31 March 2022 £
City of Edinburgh Council	298	-	(298)	-
The Robertson Trust	41,000	36,000	(41,000)	36,000
First Port Ltd	57,470	-	(57,470)	-
Scottish Whisky Action Fund	5,383	-	(5,383)	-
The Clothworkers Foundation	5,000	-	(5,000)	-
Henry Duncan	4,000	-	(4,000)	-
The Bank of Scotland Foundation	15,000	-	(15,000)	-
Communities Recovery Fund	9,188	-	(9,188)	-
Co-Op Local Community Fund	169	-	(169)	-
HSF Award	1,000	-	(1,000)	-
EVOC	-	11,333	(500)	10,833
	138,210	47,333	(138,710)	46,833
	=====	=====	=====	=====

Deferred grants have been received in advance for future periods or where services have still to be provided.

15. Bank Loans

A Covid-19 Bounce Back Loan was received from the government during the previous year on which interest was charged at 2.5% per annum.

	2022 £	2021 £
Covid19 Bounce Back Loan		
Due within 1 year	-	8,333
Due after more than 1 year	-	41,667
	-----	-----
	-	50,000
	=====	=====

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

16. Analysis of net assets between funds	General Fund	Designated Reserves	Restricted Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	7,280	-	7,280
Investments	563,659	-	-	563,659
Current assets	13,576	163,500	46,833	223,909
Current liabilities	(28,471)	-	(46,833)	(75,304)
	=====	=====	=====	=====
Net assets at 31 March 2022	548,764	170,780	-	719,544
	=====	=====	=====	=====
Tangible fixed assets	-	355,868	-	355,868
Current assets	309,028	23,192	-	332,220
Current liabilities	(165,521)	-	-	(165,521)
Liabilities due after one year	(41,667)	-	-	(41,667)
	=====	=====	=====	=====
Net assets at 31 March 2021	101,840	379,060	-	480,900
	=====	=====	=====	=====

17. Movement in funds	At 1 April 2021	Income	Expenditure	Transfers	Other Gains/(losses)	At 31 March 2022
	£	£	£	£	£	£
Restricted funds						
The Robertson Trust	-	40,975	(40,975)	-	-	-
Communities Recovery Fund	-	9,188	(9,188)	-	-	-
First Port Ltd	-	57,470	(57,470)	-	-	-
Whisky Fund	-	4,586	(4,586)	-	-	-
Bright Light Young Start	-	9,167	(9,167)	-	-	-
Corra Foundation	-	4,096	(4,096)	-	-	-
EVOC	-	500	(500)	-	-	-
Foundation Scotland	-	11,180	(11,180)	-	-	-
The Bank of Scotland Foundation	-	15,000	(15,000)	-	-	-
The Clothworkers Foundation	-	5,000	(5,000)	-	-	-
	-----	-----	-----	-----	-----	-----
Total restricted funds	-	157,162	(157,162)	-	-	-
	-----	-----	-----	-----	-----	-----
Unrestricted funds						
General fund	101,840	635,939	(401,675)	205,175	7,485	548,764
<i>Designated funds</i>						
Capital reserve	355,868	-	(3,105)	(345,483)	-	7,280
Building improvement/infrastructure	15,982	-	-	(15,982)	-	-
Training reserve	5,770	-	-	(5,770)	-	-
Research budget	1,440	-	-	(1,440)	-	-
Salary benchmarking exercise	-	-	-	27,500	-	27,500
Staff restructuring programme	-	-	-	10,000	-	10,000
York Place redecoration	-	-	-	6,000	-	6,000
Technical development costs	-	-	-	20,000	-	20,000
Relocation costs	-	-	-	50,000	-	50,000
Counselling costs subsidy	-	-	-	50,000	-	50,000
	-----	-----	-----	-----	-----	-----
Total unrestricted funds	480,900	635,939	(404,780)	-	7,485	719,544
	-----	-----	-----	-----	-----	-----
Total funds	480,900	793,101	(561,942)	-	7,485	719,544
	=====	=====	=====	=====	=====	=====

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022**

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	Other Gains/ (Losses) £	At 31 March 2021 £
17.Movement in funds						
Restricted funds						
Communities Recovery Fund	-	3,312	(3,312)	-	-	-
Volant Trust	-	9,000	(9,000)	-	-	-
Wellbeing Fund	-	99,700	(99,700)	-	-	-
First Port Ltd	-	49,996	(49,996)	-	-	-
Forth Radio Cash4Kids	-	1,960	(1,960)	-	-	-
Crisis UK	-	5,000	(5,000)	-	-	-
Whisky Fund	-	38,298	(38,298)	-	-	-
Bright Light Young Start	5,925	10,000	(15,925)	-	-	-
Turcan Connell	-	1,000	(1,000)	-	-	-
Corra Foundation	-	3,000	(3,000)	-	-	-
CAF Grant	-	9,500	(9,500)	-	-	-
Total restricted funds	5,925	230,766	(236,691)	-	-	-
Unrestricted funds						
General fund	55,461	251,445	(202,157)	(2,909)	-	101,840
<i>Designated funds</i>						
Capital reserve	358,386	-	(5,427)	2,909	-	355,868
Building improvement/infrastructure	15,982	-	-	-	-	15,982
Training reserve	5,770	-	-	-	-	5,770
Research budget	1,440	-	-	-	-	1,440
Total unrestricted funds	437,039	251,445	(208,084)	-	-	480,900
Total funds	442,964	482,211	(444,275)	-	-	480,900

Transfers

A transfer of £4,517 (2021: £2,909) from the general fund was made to the capital reserve representing the additions in the year and a transfer of £350,000 (2021: £nil) from the capital reserve was made to the general fund representing the disposal in the year.

Purpose of Restricted Funds

The Robertson Trust - to fund systemic Family Therapy

Communities Recovery Fund - to contribute to costs related to the Practice Manager

First Port - to deliver relationship counselling and therapy support delivered to families, children and young people to support them with impact of covid-19 and lockdown

Whisky Fund - Families in Recovery after Alcohol Addiction project

Bright Light Young Start - Young Peoples Life Coach

Corra Foundation - to fund counselling and Family Therapy

EVOC - to fund the delivery of family therapy sessions online and face to face

Foundation Scotland - to contribute towards delivering family therapy sessions

The Bank of Scotland Foundation - to contribute towards 600 counselling session

The Clothworkers Foundation - to purchase IT equipment for the charity

Volant Trust - to fund Family Therapy

Wellbeing Fund - to deliver relationship counselling and therapy support delivered to families, children and young people to support them with impact of covid-19 and lockdown

Forth Radio Cash4Kids - to fund Counselling support for children and young people

Crisis UK - to support people who are homeless and at risk during the current Coronavirus emergency

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****17. Movement in funds (continued)**

Turcan Connell - to support people with counselling and therapy during covid-19 and lockdown

CAF - to help charities and other social sector organisations throughout the Covid-19 pandemic

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.

Building improvements/infrastructure - essential building maintenance and the installation of central heating. The property was sold during the year and so these funds are no longer required for this purpose.

Training reserve - support and training for further placements and trainees. The Trustees are of the opinion that these funds are no longer required.

Research budget - funds set aside for research into restorative practice. The Trustees are of the opinion that these funds are no longer required.

Salary benchmarking exercise - funds set aside to implement the salary benchmarking exercise which the HR consultants will advise and help manage the process for.

Staff restructuring programme - funds set aside to move several staff into new roles and a new placement counsellor support programme.

York Place redecoration - funds set aside to redecorate and furnish the York Place hub and source an additional room for face to face counselling.

Technical development costs - funds set aside to make better use of digital processes, online booking and scheduling and hybrid counselling, including upgrading existing software and investment in new software and hardware.

Relocation costs - funds set aside to source new rented premises, counselling rooms, relocate, services, professional fees and 12 months' rent in the event that the current landlord relocates and are unable to offer the charity accommodation.

Counselling costs subsidy - funds set aside to subsidise the balance of counselling costs where clients are unable to contribute to the full cost.

18. Commitments under operating leases

At 31 March 2022, the charity had annual total commitments under non-cancellable operating leases as set out below.

	2022	2021
	£	£
Operating leases which expire		
Within 1 year	21,176	720
	=====	=====

The operating lease expense for the year was £22,362 (2021: £2,284).

BRIGHT LIGHT RELATIONSHIP COUNSELLING LTD**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2022****19. Reconciliation of net movement in funds to net cash flow from operating activities**

	2022	2021
	£	£
Net movement in funds	238,644	37,936
Add back depreciation charge	3,105	5,427
(Gains) on investments	(7,485)	-
Deduct investment income	(821)	(57)
(Profit) on the sale of property	(370,000)	-
Loss on the sale of fixed assets	1,769	-
Decrease in debtors	3,966	7,298
(Decrease)/increase in creditors	(81,884)	120,288
	-----	-----
Net cash (used in)/provided by operating activities	(212,706)	170,892
	=====	=====

20. Prior year Statement of Financial Activities

	Designated Reserves	Unrestricted funds General Reserve	Restricted Funds	Total Funds 2021
	£	£	£	£
Income from:				
Donations	-	195,683	-	195,683
Charitable activities	-	44,140	230,766	274,906
Investments	-	57	-	57
COVID-19 grant income	-	11,565	-	11,565
	-----	-----	-----	-----
Total income	-	251,445	230,766	482,211
	-----	-----	-----	-----
Expenditure on:				
Charitable activities	5,427	202,157	236,691	444,275
	-----	-----	-----	-----
Total expenditure	5,427	202,157	236,691	444,275
	-----	-----	-----	-----
Net income/(expenditure) before transfers	(5,427)	49,288	(5,925)	37,936
Transfers between funds	2,909	(2,909)	-	-
	-----	-----	-----	-----
Net movement in funds for the year	(2,518)	46,379	(5,925)	37,936
	-----	-----	-----	-----
Reconciliation of funds				
Total funds brought forward	381,578	55,461	5,925	442,964
	-----	-----	-----	-----
Total funds carried forward	379,060	101,840	-	480,900
	=====	=====	=====	=====