

Company Registration No. 110910 (Ireland)

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION

Members	Kathleen Lowney Tony O'Riordan Eamonn Kiely Thomas O'Brien Hugh Morley Karen Walsh Laura Maybury Joseph Enright	
Directors/Trustees	Kathleen Lowney Tony O'Riordan Eamonn Kiely Thomas O'Brien Ann Mahony	(Appointed 23 February 2021)
Secretary	Kathleen Lowney	
Company number	110910	
Charity number	CHY8911	
Charities Regulatory Authority Number	20022327	
Registered office	7 Fr. Mathew Street Cork	
Auditor	H&A Accountancy Services Limited t/a Hickey & Associates Unit 2 Bowling Green White Street Cork	
Business address	7 Fr. Mathew Street Cork	
Bankers	Bank of Ireland 32 South Mall Cork	
Solicitors	Lillian O'Sullivan 96 South Mall Cork	

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

CONTENTS

	Page
Directors' report	1 - 8
Directors' responsibilities statement	9
Independent auditor's report	10 - 11
Statement of financial activities	12
Balance sheet	13
Statement of changes in funds	14
Statement of cash flows	15
Notes to the financial statements	16 - 33

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Introduction

The financial statements have been prepared by Cork Counselling Services Company Limited by Guarantee in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as modified by the Statement Of Recommended Practice "Accounting and Reporting by Charities" (FRS Charities SORP) (2018) effective for reporting periods beginning on or after 1 January 2019, known as the 'SORP' (the relevant financial reporting framework).

The organisation is a charitable company with a registered office at 7 Fr. Mathew Street, Cork. The company's registered number is 110910. The Registered Charity Number (RCN) of the charity is 20022327.

The charity has been granted charitable tax status under sections 207 and 208 of the Taxes Consolidation Act 1997, charity number CHY 8911 and is registered with the Charities Regulatory Authority.

Objectives and activities

The principal objectives and activities of the company continued to be the provision of counselling and psychotherapy services of the highest ethical and professional standards to all members of society, regardless of financial means, religious beliefs, race, ethnicity, sexual orientation or educational background and the education and training of students so that they attain professional counselling standards reflecting best practice nationally and internationally.

Review of activities in 2020

Driven by COVID-19, this past year was marked by uncertainty, anxiety and an exacerbation of mental health issues within the community. While the pandemic's impact on mental health was somewhat foreseeable, the wide extent of mental distress was less predictable. In addition to pre-existing clients, Cork Counselling Services reported an unprecedented 30% increase in the number of approaches in 2020. Many of these individuals sought mental health support for the first time in their lives. Furthermore, there was a deterioration in mental health in many pre-existing service users. Controlled onsite attendance and a lack of alternative services regrettably resulted in longer waiting times.

Like most businesses and services, Cork Counselling Services adapted to the Covid-19 restrictions by developing and advertising telephone counselling options for service users, ensuring clients could receive timely mental health support from the safety of their homes. Our service is proud to have stayed open throughout the lockdowns and provided telephone counselling or face to face counselling as circumstances permitted. Payments were allowed on a donations basis, to be discussed on an individual basis, rather than on a contractual basis. All professional training courses also ran to completion and/or certification for the academic year 2019-2020. This was achieved by changing to online video conferencing platforms and redesigning huge swathes of learning. Our professional training continued through the 2020-2021 academic year by means of blended learning – meeting face to face and videoconferencing over Webex or Zoom as circumstances permitted.

Our Centre has had extensive Covid-19 measures and procedures implemented to ensure the safe access of clients, students, volunteers and staff. Our building in Fr. Mathew Street and our library in Hanover Street have had multiple sanitiser stations installed, sneeze and respiratory screens introduced and lots of warning and procedural signage. Our cleaning routines became particularly rigorous with the introduction of all-wipeable surfaces and room cleaning between counselling sessions. Against a backdrop of chronic underfunding, Cork Counselling Services has struggled to operate within existing resources. While the company availed of the Temporary Wage Subsidy Scheme, a highly conditional Pobal Grant of €63,583, RTE funding of €10,000 and a Covid-19 grant of €10,000 from Tusla in 2020, nothing has been offered in terms of ongoing medium to long term support in a year where mental health budgets nationally have been reduced to 5% of the overall health budget (from just above 6%). In doing this, Ireland will spend less than half of what the UK and Germany spend on mental health per capita.

The outlook for 2021 in terms of Covid-19 is fairly certain for the first half, and yet the Covid-19 related financial supports outlook is very uncertain as we head into a year of certain huge demand. The HSE and Tusla have indicated that their standard grants will be static in relation to 2021. It also appears as if training income will remain static in 2021 as numbers hold up, but it is not feasible to raise prices to cover additional service and cost requirements.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Clinical

We are members of the AACPI (Association for Agency-based Counselling & Psychotherapy in Ireland) and are members of both the Irish and British Associations of Counselling & Psychotherapy (IACP and BACP). The company has provided professional counselling in Cork since 1982.

In 2020 Cork Counselling Services saw 140 new clients. We had 302 clients in total. This was down on 2019 due to our need to restrict access for Covid-19 Health & Safety related purposes. These clients were seen regardless of background or ability to pay and presented issues including suicide, depression, self-harming, relationship issues, anxiety, bereavement, addiction, anger, sexual abuse, bullying and sexual and gender identity. The referral sources of new clients were self-referral, friends or family, GPs, hospitals, social services, psychiatry, CIPC, Pieta and others such as community groups, solicitors and schools.

We offered 2119 hours of professional one-to-one counselling within the calendar year. This again was a decrease on 2019 due to our move to telephone counselling for Level 5 Lockdown periods and the need to implement Covid-19 safety precautions. It points to the real challenge we had in responding to the increased number of approaches. Our budget for the provision of services was static in a time of significant increase in demand.

Training

Our training institute ran programmes at Certificate, Diploma and Degree level for 67 students in total. We offer a BSc (Hons) Counselling & Psychotherapy (4 year programme). Our education and training programmes were as follows:

- BSc (Hons) Counselling & Psychotherapy (4 year programme). Accredited by IACP to become a professional practising counsellor - 4 years, part-time,
- BSc (Hons) Counselling & Psychotherapy (Top-Up programme) Validated and awarded by Coventry University,- 1 year full-time or 2 years part-time
- Diploma in Counselling. Accredited by IACP and validated by CCS.
- Certificate in Introduction to Counselling & Psychotherapy studies validated and awarded by Coventry University,- 1 year part-time.

Net incoming funds made in training are re-invested into providing our sliding scale counselling service as we are a not-for-profit organisation.

Directors and secretary

The directors who held office during the financial year and up to the date of signature of the financial statements were as follows:

Kathleen Lowney
Tony O'Riordan
Eamonn Kiely
Thomas O'Brien
Ann Mahony

(Appointed 23 February 2021)

The secretary who held office during the financial year and up to the date of signature of the financial statements was Kathleen Lowney.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Financial review

Results for the financial year

A summary of the results for the financial year are set out on the Statement of Financial Activities.

The members have no beneficial interest in the company as there is no share capital and the company is limited by guarantee. The statement of financial activities shows net incoming funds for the financial year of €6,598 (2019 Net outgoing funds: €3,544) with total incoming resources amounting to €492,402 (2019: €537,860) and total resources expended amounting to €475,587 (2019: €532,232) plus net interest paid of €10,217 (2019: €9,172) and interest earned of €Nil (2019: €4).

The total incoming resources include grant income from TUSLA, the Health Service Executive and other agencies totalling €242,723 (2019: €254,525).

Reserves policy and financial position

Reserves policy

A position on reserves was agreed at a meeting of the directors. The board has a position which requires that reserves be maintained at a level which ensures the company's core activities could continue during a period of unforeseen difficulties. As our most significant reserves are in the form of assets, it also requires that a proportion of the reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the company's planning, budgeting, and forecasting cycle. It considers the risks associated with each stream of income and expenditure being different from that budgeted, planned activity level and the organisation's commitments.

Financial position

The balance sheet shows total charity funds of €157,014 (2019: €150,416) all of which are required to:

- Ensure that the charity can continue to provide the services that are listed as the charity's principal objectives;
- Provide working capital when funding receipts are spread over the year and not paid at the beginning of the year;
- Meet contractual obligations as they fall due;
- Meet unexpected costs should they arise.

Based on this, the directors are satisfied that the charity holds sufficient reserves to allow the charity to continue to operate successfully.

Structure, governance and management

The organisation is a charitable company limited by guarantee. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required, not exceeding €1.00 per member.

The charity was established under a constitution which established the objects and powers of the charitable company and is governed by its constitution and its Handbook on Board Governance. The charity is governed by the Board of Directors and managed by the management team. Permission has been granted by the Companies Registration Office to dispense with the words Company Limited by Guarantee in the title of the company and the Registrar of Business Names granted permission to use the name of Cork Counselling Services.

Board of Directors

The charity is governed by a Board of Directors with a minimum number of 3 and a maximum number of 7 directors. The Board meets at least 7 times each year. It has been resolved that the term of office for each director is 4 years and each director may be re-appointed for an additional 2 year period. At each Annual General Meeting retiring director/s shall retire and if retiring from a first term in office are eligible for re-election. The chairpersons term of office is 3 years. The process for nominations of directors other than retiring directors is laid out in the Handbook on Board Governance.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

There is a clear division of responsibility in the company with the Board of Directors retaining control over major decisions and the senior management team attending board meetings to brief the board on standard agenda items and other relevant issues.

The board of directors retain overall responsibility for the strategic development of the company.

Policies and Procedures for the Induction and Training of board Members

All newly appointed directors receive a Board Induction Folder on appointment. This contains the following documentation: the Board Handbook on Governance (which includes the Board-member Code of Conduct), the Strategic Plan, Board Minutes from the previous 12 months, the company Constitution and other relevant documentation. Board Members also get complete information on how the company demonstrates its full compliance with the Governance Code. The board of directors invites a potential new director to join the board in an observational capacity for a minimum of 3 meetings. When there is agreement on suitability, the new director must be approved at the following AGM or calling an EGM for the purpose. Unless the new director is appointed by means of this process he/she will not be able to carry out any duties as a director.

The Management Team

The Management Team currently comprises of four members of staff:

- Laura Maybury – Head of Clinical Practice since 2012 – Laura is a Registered Psychologist, an Accredited Counsellor and Supervisor. She is currently an IACP Core Trainer on the Diploma in Counselling and a Programme Leader in the BSc programme and has worked as assistant course director, lecturer and facilitator the the Postgraduate Diploma in Guidance and Counselling in UCC. Laura has a particular interest in attachment and relational development and is an accredited supervisor.
- Karen Walsh – Head of Training & Core Trainer — Karen is a M.Sc. in Psychotherapy, has a degree in Applied Psychology and a Diploma in Counselling. Karen worked in private practice until 1998 and in 1999 was employed as a fulltime trainer and practitioner with the company. In 2002 she was appointed director of training. Karen continues to work with a number of clients. Karen has a particular interest in attachment studies and in legal issues and professional complaints in psychotherapy. Karen is an accredited member of IACP and is an accredited supervisor
- Hugh Morley – Head of Business — Hugh currently carries out the finance and applications for funding roles in the company. Hugh is a qualified counsellor and experienced HR Manager who work for many years in HR Management & Development in the public and private sectors and has also run his HR Consultancy. Hugh qualified with a Diploma in Counselling from the company in 2012 and a Degree in Counselling & Psychotherapy from IICP in 2018. Hugh has trained on Foundation and Diploma level course and counselled clients of the company.
- Joseph Enright - Acting Head of Clinical Practice -Joseph qualified with a Diploma in Counselling from the company in 2011 and has worked as part of the clinical team since. Joseph has trained on both Foundation and Diploma level course and mentored students.

The management team regulate and keep under constant review the day-to-day administration of Cork Counselling Services CLG within the terms laid down by the Board. They have responsibilities as follows:

- To implement the decisions of the Board of Directors relating to the operation of Cork Counselling Services CLG
- To ensure that the services provided by Cork Counselling Services CLG are delivered to the highest possible standards within the resources available
- To ensure that Cork Counselling Services CLG is managed in an effective and prudent manner in accordance with all relevant legislation and regulation
- To alert the Board of Directors to any significant problems of a budgetary or other nature that have arisen, or are likely to emerge, in sufficient time for the Board to take appropriate action
- To ensure the Board of Directors has adequate information and reports to fulfil its duties
- To ensure that Cork Counselling Services CLG operates in accordance with the Service Level Agreement in place with the HSE/Tusla, and any other agreements with third parties entered by the organisation
- To ensure that the policies approved by the Board of Directors are implemented within Cork Counselling Services CLG and to take full responsibility for health and safety policy and statement.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Organisational Structure and How Decisions are Made

Introduction

Those matters that are not reserved to the Board are delegated to the Organisation's executive management team. That said, the management team is encouraged to consult with the Board, through the offices of the Chairperson, in relation to any matter which, though not reserved to the Board, is of a nature which suggests to the management team that it ought to be passed by the Board before a decision is made on behalf of the company.

Strategic Direction

- Review and ensure the constitution is up to date
- Identify stakeholders as part of the strategic plan
- Ensure that strategic plan is reviewed every three years and that an annual business plan is in place

Board operations and decisions

- Approve the company's Strategic Plan and annual operating budget.
- Review organisational goals regularly in line with strategic plan and evaluate operating performance
- Monitor, review and evaluate the structure, size and composition of the board. Consider candidates for membership of the board and appoint by formal resolution of the board. Ensure that an adequate mix of skills, expertise and representation is achieved. Terminate directors and remove from company membership as appropriate.
- Induct new members
- Operate a code of conduct and conflict of interest policy and registers directors' interests
- Appoint an internal audit committee of at least two directors and document terms of reference
- Appoint an external auditor determining remuneration and conditions
- Carry out an annual review of board performance, risk and internal controls.
- Review Risk Management policies and issues. Ensure an annual assessment of risk and that a risk register is maintained together with an asset register. Review insurance levels annually in conjunction with Insurers recommendations.
- Ensure that all required policies and procedures are in place and are kept under review. Approve Health & Safety manual and company policies and procedures as required.
- Procedures and policies in relation to any complaints/litigation made against the company and review any ongoing matters at each meeting
- Review management accounts to plan and oversee budgetary management
- Appraise and approve major financing, investment and contractual decisions in excess of €10,000
- Approve of any facility under which the Organisation may incur financial indebtedness.
- Clearly delineate accountability and differentiate board and management responsibilities. Assist and approve in the selection for hire of new senior staff. Assist and approve in the selection for hire of new senior staff. Agree job specifications and remuneration of managers.

Transparency and Public Accountability

The Board believes that the company and all organisations with charitable status must be fully accountable to the general public, providing detailed information on where its funds come from and on what they are spent. The company's audited financial statements when approved by the Board of Directors are submitted to the Companies Registration Office.

Directors/trustees

Kathleen Lowney

Kathleen has been a member of the board since 4 December 2018. She has spent 16 years as a teacher in both England and Ireland and has worked as deputy principal and principal in the Post Primary education system for the last 18 years. Kathleen has qualifications in both guidance and counselling as well as in adult guidance. She is also a trained mentor for newly appointed school management professionals. Throughout her career, Kathleen has focussed much time and energy on adolescent and adult mental health issues.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Tony O'Riordan

Tony has been a member of the board since 30 August 2017. He currently works in the areas of leadership development and executive coaching. He has worked in both the profit and charity sectors at director and CEO level. He has been self employed for the last number of years and also devotes some of his time to volunteering activities besides the company. He has strong interest in psychology and associated areas, as well as in the work of adult mental development and the concepts of horizontal and vertical growth.

Eamonn Kiely

Eamonn has been a member of the board since January 2016. He is Southern Regional Manager for Courts Service and has worked in the Justice sector in Cork for over twenty years. Before joining the board of the company, he was involved for many years in a project dealing with the re-integration of offenders into the community.

Thomas O'Brien

Tom's background is in Education but he is a Counsellor and Supervisor in private practice. Tom trained in Cork Counselling Centre and joined the board in 2013.

Ann Mahony

Ann Mahony is retired Director Of Nursing and Allied Health at Marymount University Hospital and Hospice. She has a long and distinguished career in nursing and health management, having worked for many years in St Finbarr's Hospital, Cork.

Principal risks and uncertainties

The directors have ultimate responsibility for managing risk and are aware of the risks associated with the operating activities of the charity. The directors carry out an annual audit and review the risks on an ongoing basis. The directors are satisfied that adequate systems of governance, supervision, procedures and internal controls are in place to mitigate the exposure to major risks and that these controls provide reasonable assurance against such risks.

The principal risk and uncertainty facing the charity is the ongoing impact of the Covid-19 Pandemic which resulted in significant changes in the way the company delivers both its counselling and training services which has placed additional burdens on the company's finances. To counteract this the directors/management have availed of substantial grants from Pobal and other agencies as well as availing of any subsidies to which the company was entitled such as the Temporary Wage Subsidy Scheme. This has added to the company's financial risk requiring enhanced cash flow management and should it be required, the availability of additional bank finance in the short term future. In addressing these issues the directors have put substantial emphasis on controlling the company's cost base, monitoring the company's cash-flow and bank balances continuously, moving training and supervision services online and counselling services to telephone consultations during lockdowns, except in the case of emergencies. A number of changes have been made to the company's premises to ensure compliance with government health guidelines.

The directors have identified other key risks facing the company that relate to a potential reduction in the level of grant funding or training income, the increase in compliance requirements in accordance with health and safety and general data protection legislation, and ensuring security of the company's sensitive data, reputational risk and other operational risks.

The company mitigates these risks as follows:

Financial risk

- The charity continually monitors the level of activity, prepares and monitors its budgets and projections. The charity has a policy of maintaining cash reserves and it has also developed a strategic plan which will allow for the diversification of funding and activities
- Financial information is subject to detailed review at board level allowing for continuous monitoring of the company's operations and financial status.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Operational/internal control risk

- The risk is minimised by the implementation of procedures for authorisation of all transactions and the requirements for budgets covering all activities
- Procedures are in place to ensure compliance with Covid-19 restrictions and with health and safety legislation to protect staff, students, clients and service providers.

Reputational/compliance risk

- In common with many charities, the company's principal risk is reputational damage. Reputation damage could be caused by an event either within or outside the company's control. In order to mitigate this risk the charity continues to adopt best practices
- The charity closely monitors emerging changes to regulations and legislation on an on-going basis by ensuring all accreditations are up to date.

Accounting records

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are sufficiently adequate to permit the financial statements to be readily and properly audited and are discharging their responsibility by:

- employing qualified and/or experienced staff,
- ensuring that sufficient company resources are available for the task,
- liaising with the company's auditors
- arrangements to guard against falsification of the records.

The accounting records are held at the company's registered office, 7 Fr. Matthew Street, Cork.

Post reporting date events

On 11 March 2020, the World Health Organisation officially declared COVID-19, the disease caused by the novel coronavirus, a pandemic. The company recognises this is a risk the company is exposed to from a financial and operational point of view. Whilst the pandemic has had an impact on the company, the Board and management team have reduced the significance of this by reacting swiftly and purposefully to ensure continuity of service and the protection of company reserves. These actions have ensured support for staff, clients, students, and other key stakeholders.

The company continues to identify, assess, and plan for several financial and operational outcomes. Arising from these analyses, the company is taking steps to protect its reserves, notably by availing of Government COVID-19 wage subsidy support schemes, applying for additional funding from Tusla and Pobal as required, and continuing to review and eliminate non-essential operating costs.

From an operational perspective the focus remains on changing how services are delivered. The company moved to developing and advertising telephone counselling options for service users to ensure clients could receive mental health support on a timely basis throughout the crises and particularly during the periods of lockdown. The professional training courses were continued to completion and / or certification for each academic year, as we changed to online video-conferencing platforms and re-designed huge swathes of learning.

The Board of Directors has determined that this event is a non-adjusting subsequent event and accordingly the financial position and results for the year ended 31 December 2020 have not been adjusted, which is consistent with financial reporting standards. The directors have reviewed the activities and services in the period following the balance sheet date and considered the impact of the COVID-19 pandemic. The directors have also considered the current financial position of the company and the resources within the company.

Based on information available at this time, the directors believe the company will be able to continue to carry out activities and services through the current difficult period and anticipate having sufficient cash resources to manage the disruption to its activities and services, caused by COVID-19, for at least 12 months from the signing of the financial statements.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Other than as described above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of the affairs of the company in the financial period subsequent to the financial year ended 31 December 2020.

Future developments

The Covid-19 Pandemic has resulted in significant disruption to our services. We reacted swiftly and purposefully, and continue to do so, to protect the company and to enable navigation through this crisis. The Board and management team have focused their efforts on changing the effective delivery of counselling services and training courses in this environment whilst also focusing on the company's financial position notably the protection of reserves and future cashflows.

While the short-term outlook for the sector remains challenging, we remain confident, as a result of our actions to date, that the company will emerge from the Covid-19 crisis.

Auditor

In accordance with the Companies Act 2014, section 383(2), H&A Accountancy Services Limited will continue in office as auditors of the company.

Statement of relevant audit information

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

On behalf of the board

Kathleen Lowney
Director

Eamonn Kiely
Director

11 May 2021

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

General responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and accounting standards issued by the Financial Reporting Council including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the Statement Of Recommended Practice "Accounting and Reporting by Charities" (FRS Charities SORP) (2018) effective for reporting periods beginning on or after 1 January 2019, known as the 'SORP' (the relevant financial reporting framework). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the net incoming or outgoing resources of the company for that financial year and otherwise comply with Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

Kathleen Lowney
Director

Eamonn Kiely
Director

11 May 2021

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

Opinion

We have audited the financial statements of Cork Counselling Services Company Limited by Guarantee (the 'company') for the financial year ended 31 December 2020 which comprise the Statement Of Financial Activities, the Balance Sheet, the Statement of Changes In Funds, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland as modified by the Statement Of Recommended Practice "Accounting and Reporting by Charities" (FRS Charities SORP) (2018) effective for reporting periods beginning on or after 1 January 2019, known as the 'SORP' (the financial reporting framework) and issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2020 and of its net incoming resources for the financial year then ended;
- have been properly prepared in accordance with FRS 102 *the Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

Opinions on other matters prescribed by the Companies Act 2014

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

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the company's 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.



Owen Hickey
for and on behalf of

11 May 2021

H&A Accountancy Services Limited
t/a Hickey & Associates
Chartered Accountants
Statutory Auditors

Unit 2, Bowling Green
White Street
Cork

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds €	Restricted funds €	Total 2020 €	Total 2019 as restated €
Incoming resources	3				
Voluntary income		7,903	-	7,903	9,887
Fundraising activities		330	-	330	4,211
Charitable activities		238,363	242,723	481,086	523,758
Miscellaneous income		1,233	1,850	3,083	4
Total incoming resources		247,829	244,573	492,402	537,860
Resources expended					
Payroll costs including social insurance & employer pensions		(115,333)	(164,492)	(279,825)	(291,101)
Wage subsidies received		46,328	-	46,328	-
Premises costs		(13,754)	(17,709)	(31,463)	(22,202)
Counselling, education, training & supervision costs		(117,837)	(28,388)	(146,225)	(151,205)
Professional & related costs		(8,436)	(8,435)	(16,871)	(22,988)
Marketing & advertising		(5,429)	(11,052)	(16,481)	(11,567)
Other administrative costs		(13,693)	(17,357)	(31,050)	(33,169)
Total resources expended		(228,154)	(247,433)	(475,587)	(532,232)
Net movement in funds for the financial year before taxation	4	19,675	(2,860)	16,815	5,628
Interest receivable and similar income		-	-	-	-
Interest payable and similar expenses	6	(5,109)	(5,108)	(10,217)	(9,172)
Net movement in funds for the financial year		14,566	(7,968)	6,598	(3,544)
Net funds brought forward		416	-	416	3,960
Net funds brought forward as restated		416	-	416	416
Transfer of unrestricted net funds for financial year		(7,968)	7,968	-	-
Net funds carried forward		7,014	-	7,014	416

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019 as restated	
		€	€	€	€
Fixed assets					
Tangible assets	8		248,685		254,458
Current assets					
Debtors	9	19,077		29,218	
Cash at bank and in hand		153,024		79,021	
		<u>172,101</u>		<u>108,239</u>	
Creditors: amounts falling due within one year	10	(120,420)		(68,222)	
Net current assets			51,681		40,017
Total assets less current liabilities			300,366		294,475
Creditors: amounts falling due after more than one year	11		(143,352)		(144,059)
Total assets less total liabilities			<u>157,014</u>		<u>150,416</u>
Funds of the charity					
Fixed asset property reserve	16	150,000		150,000	
Restricted funds		-		-	
Unrestricted funds		7,014		416	
Total charity funds		<u>157,014</u>		<u>150,416</u>	

The financial statements were approved by the board of directors and authorised for issue on 11 May 2021 and are signed on its behalf by:

Kathleen Lowney
Director

Eamonn Kiely
Director

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Fixed asset property reserve €	Statement of financial activities €	Total €
As restated for the financial year ended 31 December 2019:			
Balance at 1 January 2019	147,000	3,960	150,960
Financial year ended 31 December 2019:			
Net outgoing funds and total comprehensive income for the financial year	-	(3,544)	(3,544)
Other movements	3,000	-	3,000
Balance at 31 December 2019	150,000	416	150,416
Financial year ended 31 December 2020:			
Net incoming funds and total comprehensive income for the financial year	-	6,598	6,598
Balance at 31 December 2020	150,000	7,014	157,014

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

		2020		2019 as restated	
	Notes	€	€	€	€
Cash flows from operating activities					
Cash generated from operations	19		84,927		56,471
Interest paid			(10,217)		(9,172)
Net cash inflow from operating activities			<u>74,710</u>		<u>47,299</u>
Financing activities					
Repayment of bank loans		(707)		(6,753)	
Net cash used in financing activities			<u>(707)</u>		<u>(6,753)</u>
Net increase in cash and cash equivalents			<u>74,003</u>		<u>40,546</u>
Cash and cash equivalents at beginning of financial year			<u>79,021</u>		<u>38,475</u>
Cash and cash equivalents at end of financial year			<u><u>153,024</u></u>		<u><u>79,021</u></u>

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Cork Counselling Services Company Limited by Guarantee is primarily engaged to provide counselling and psychotherapy of the highest ethical and professional standards to all members of society, regardless of financial means, religious beliefs, race, ethnicity, sexual orientation or educational background and to educate and train students so that they attain professional counselling standards reflecting best practice nationally and internationally.

Cork Counselling Services Company Limited by Guarantee is a company limited by guarantee and is domiciled and incorporated in Ireland. The registered office and place of business is 7 Fr. Mathew Street, Cork and its company registration number is 110910.

The company is tax resident in Ireland but has charitable status and is exempt from corporation tax.

The financial statements have been prepared by Cork Counselling Services Company Limited by Guarantee in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland as modified by the Statement Of Recommended Practice "Accounting and Reporting by Charities" (FRS Charities SORP) (2018) effective for reporting periods beginning on or after 1 January 2019, known as the 'SORP' (the relevant financial reporting framework).

The significant accounting policies adopted by the company and applied consistently in the preparation of the financial statements are set out below:

1.1 Basis of preparation

The financial statements are prepared in accordance with applicable law and the accounting standards issued by the Financial Reporting Council (FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland as modified by the Statement Of Recommended Practice "Accounting and Reporting by Charities" (FRS Charities SORP) (2018) effective for reporting periods beginning on or after 1 January 2019, known as the 'SORP', which have been applied consistently (except as otherwise stated).

The financial statements are prepared under the historical cost convention and on a going concern basis, modified to include certain items at fair value.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.2 Going concern

We acknowledge that we are required to make an assessment of our company's ability to continue as a going concern.

We are aware of the company's financial position and the impact of the Covid-19 Pandemic on the company's activities. We have prepared the Financial Statements on the going concern basis, having considered the company's trading performance, cash-flow forecasts, and its future business plans. The company had net incoming resources for the financial year in the amount of €6,598 (2019: €3,544 net outgoing resources) and according to the balance sheet as at 31 December 2020, the company had net funds of €157,014 (2019: €150,416).

Immediate action was taken by management and the directors in response to the Pandemic to protect its reserves and future cashflows, notably by securing improved banking facilities, availing of Government COVID-19 wage subsidy support schemes and applying for additional funding from the government agencies. The directors continue to identify, assess, and plan for a wide range of potential financial and operational outcomes and have a reasonable expectation that the company will be able to successfully navigate the present uncertainties.

With reduced income levels from counselling, education, training and supervision, the company is more dependent on the availability of funding from Tusla, the HSE and other government agencies. The company has built excellent, long-standing relationships with both Tusla and the HSE and is recognised as a key part of the national programme to address mental health issues through the provision of counselling and psychotherapy services, and therefore continues to be supported with government funding every year. During the year, the company received emergency stabilisation funding from An Pobal for the 2020 / 2021 year and these funds are available to support the business cashflow and day to day operations.

Having considered the cash flow forecasts, current and anticipated income levels, and government funding, together with current and anticipated levels of cash, debt and availability of borrowing facilities, we confirm that we have a reasonable expectation that the company has sufficient resources to continue in operational existence for the foreseeable future, for a period of not less than 12 months from the date of this report, and accordingly, continue to adopt the going concern basis in preparing the financial statements.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.3 Incoming resources

Incoming resources are recognised in the financial year in which the charity is entitled to the income, when the amount of income can be measured reliably and it is probable that the income will be received.

Incoming resources represent grant income, income from training courses and supervision, income from counselling services, donations and fundraising income.

Grants from government and other agencies have been included in restricted income from activities in furtherance of the charity's objectives where these amount to a contract for services provided, but as unrestricted income where the funds are given with greater freedom of use.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance and included within grant income.

Income from training courses is recognised when each course commences and the charity becomes entitled to the income under each contract for training. Income from supervision is recognised when the supervision has been carried out and the charity becomes entitled to the income.

Income from counselling services is recognised when each counselling session has been completed and the charity becomes entitled to the income, has certainty of receipt and the amount can be measured with sufficient reliability.

Voluntary donations are recognised when the charity becomes entitled to the income, has certainty of receipt and the amount can be measured with sufficient reliability.

Fundraising income is recognised when the charity becomes entitled to the income, when the amounts can be reliably measured, which is normally upon completion of the fundraising events.

Grants relating to expenditure to be incurred in a future accounting period received in advance are deferred and recognised in the financial period to which they relate.

No incoming resources have been included in the statement of financial activities net of expenditure.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Resources expended

Resources expended are recognised on an accruals basis as a liability is incurred. Resources expended include any VAT which cannot be recovered, and are reported as part of the expenditure to which it relates. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example on estimated usage.

Resources expended have been allocated to the categories listed on the statement of financial activities.

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.

Professional and related fees, IT costs and other administration costs are costs associated with meeting the constitutional and statutory requirements of the charity and include audit and accountancy fees, costs of legal advice, maintenance of the data base and its security and costs linked to the strategic management of the charity including the cost of directors' meetings.

Resources expended are allocated based on activity and liabilities are recognised as soon as there is a legal or constructive obligation to make a transfer of value to a third party as a result of past transactions or events.

1.5 Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect of its compliance with regulation and good practice.

Support costs and governance costs are apportioned directly to the activity to which they relate or an allocation is made based on the proportion of the direct expenditure on each activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight line basis
Fixtures & fittings	15% Reducing balance basis
Books, equipment and computer equipment	20% Straight line basis
Website	15% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the statement of financial activities.

The company's policy is to review the remaining useful economic lives and residual values of assets on an ongoing basis and to adjust the depreciation charge to reflect the remaining estimated useful economic life and residual value.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of financial activities, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of financial activities, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Other financial assets

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of financial activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of financial activities.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through the statement of financial activities. Debt instruments may be designated as being measured at fair value through the statement of financial activities to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under sections 207 and 208 of the Taxes Consolidation Act 1997, Charity Number CHY 8911.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the financial year in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The company contributes to various defined contribution pension plans for the benefit of its employees. The cost to the company of the contributions payable are charged to the statement of financial activities in the financial year they are payable. The pension plans are held in the names of the individual employees/members and thus the assets held in those plans are not included in the company's assets.

1.13 Government grants

Current revenue grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of financial activities for the financial year.

1.15 Borrowings

Borrowings are recognised at the transaction prices (present value of cash payable to the creditors). Interest expenses are recognised in the statement of financial activities in the financial year in which there are charged.

Borrowings are classified as appropriate, given that the company has a right to defer settlement of some of the liabilities for at least 12 months after the reporting date.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.16 Fund accounting

The following funds are operated by the charity:

Restricted Funds

Restricted Funds represent grants received which can only be used for particular purposes specified by the grant givers or donors binding on the directors/management. Such purposes are within the overall charitable purposes of the charity.

Unrestricted Funds

Unrestricted Funds includes general incoming resources received, such as funds received for education, training, supervision and counselling services delivered, donations and it represents amounts which are expendable at the discretion of the directors/management in furtherance of the objectives of the charity and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

1.17 Services provided by the directors/trustees of the charity

For the purposes of these financial statements, no monetary value has been placed on the administrative and management services provided by the directors/trustees of the charity.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. 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. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements and have included a detailed note under accounting policy 1.2.

The directors of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The directors are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Audit fee accrual

The auditors time cost recording system for similar charities formed the basis for estimating the current financial year's audit fee.

Provision for bad and doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the ageing profile of debtors and historical experience. Any significant reduction in the level of students that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on a quarterly basis.

Legal fee accrual

The solicitors have estimated their costs at the financial year end in relation to an ongoing legal matter.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

3 Incoming resources

The total incoming resources of the company for the financial year has been derived from its principal activities wholly undertaken in Ireland.

Details of grant funding received during the financial year ended 31 December 2020 are as follows:

Tusla Child and Family Agency -

Grant type - Section 56 funding

Purpose - Staffing costs €113,330, overheads €48,570, once off staffing costs €9,473, Covid related once off health & safety costs €10,000

Total grant - €181,373

Taken to Income & expenditure - €181,373

Received in financial year - €181,373

Deferred at year end - €Nil

Expended - €181,373

Term - 12 months January to December 2020

Date received - monthly

Capital grant - €Nil

Restriction on use - deliverable counselling and crisis management services for families and children

Tax clearance - Yes

HSE-

Grant type - Section 39 funding

Purpose - Counselling and psychotherapy services €20,000, once off funding €15,000

Total grant - €35,000

Taken to Income & expenditure - €35,000

Received in financial year - €35,000

Deferred at year end - €Nil

Expended - €35,000

Term - 12 months January to December 2020

Date received - periodic

Capital grant - €Nil

Restriction on use - deliverable counselling services for adults

Tax clearance - Yes

HSE -

Grant type - National Lottery funding

Purpose - Counselling services

Total grant - €10,000

Taken to Income & expenditure - €10,000

Received in financial year - €10,000

Deferred at year end - €Nil

Expended - €10,000

Term - 12 months January to December 2020

Date received - once off

Capital grant - €Nil

Restriction on use - deliverable counselling services for adults

Tax clearance - Yes

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

3 Incoming resources

(Continued)

Cork City Council -

Grant type - Community Development Capital funding

Purpose - refurbishing costs €3,000

Total grant - €3,000

Taken to Income & expenditure - €3,000

Received in financial year - €3,000

Deferred at year end - €Nil

Expended - €3,000

Term - 2020

Date received - November 2020

Capital grant - €3,000

Restriction on use - refurbishment costs

Tax clearance - Yes

Rethink Ireland -

Grant type - Social Enterprise Development funding

Purpose - Participation in the social enterprise development accelerator programme €10,000

Total grant - €10,000

Taken to Income & expenditure - €10,000

Received in financial year - €10,000

Deferred at year end - €Nil

Expended - €10,000

Term - 6 months July to December 2020

Date received - a first payment of €7,000 and a second payment of €3,000

Capital grant - €Nil

Restriction on use - deliverable participation in the Rethink social enterprise development accelerator programme

Tax clearance - Yes

RTE Does Comic Relief -

Grant type - Adapt and Respond Strand

Purpose - Professional training in remote counselling for community mental health €5,000

Total grant - €5,000

Taken to income and expenditure €1,500

Received in financial year €5,000

Deferred at year end - €3,500

Expended - €1,500

Term - 2020

Date received - 2020

Capital grant - €Nil

Restriction on use - Professional training in remote counselling for community mental health

Tax clearance - Yes

RTE Does Comic Relief -

Grant type - Demand for Digital Strand

Purpose - Computers for online counselling for community mental health €5,000

Total grant - €5,000

Taken to income and expenditure €1,650

Received in financial year €5,000

Deferred at year end - €3,350

Expended - €1,650

Term - 2020

Date received - 2020

Capital grant - €Nil

Restriction on use - Computers for online counselling for community mental health

Tax clearance - Yes

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

3 Incoming resources

(Continued)

POBAL -

Grant type - Covid-19 Stability Scheme for Community and Voluntary, Charity and Social Enterprise

Purpose - Rural and Community development €63,583,

Total grant - €63,583

Taken to Income & expenditure - €Nil

Received in financial year - €63,583

Deferred at year end - €63,583

Expended - €Nil

Term - period ending December 2020 to be expended by 30 June 2020

Date received - September 2020

Capital grant - €Nil

Restriction on use - stability funding to secure future of charity and enable delivery of critical supports and services

Tax clearance - Yes

ESB Energy For Generations-

Grant type - Educational Access and Support

Purpose - Steeltech Office Unit Extension €12,500

Total grant - €12,500

Taken to income and expenditure €Nil

Received in financial year €12,500

Deferred at year end - €12,500

Expended - €Nil

Term - 2020/2021

Date received - October 2020

Capital grant - €12,500

Restriction on use - Construction of Office Unit Extension

Tax clearance - Yes

The Hospital Saturday Fund -

Grant type - Covid-19 Support

Purpose - Provision of counselling and mental health services €3,000

Total grant - €3,000

Taken to income and expenditure €Nil

Received in financial year €3,000

Deferred at year end - €3,000

Expended - €Nil

Term - 2020/2021

Date received - December 2020

Capital grant - €Nil

Restriction on use - Provision of counselling and mental health services

Tax clearance - Yes

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

4 Net incoming/(outgoing) resources

	2020	2019
	€	€
Net incoming/(outgoing) resources for the financial year is stated after (crediting)/charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	5,465	5,535
Depreciation of owned tangible fixed assets	5,773	4,363
Elimination of amortisation of deferred income	-	3,000
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the financial year was:

	2020	2019
	Number	Number
Employees	9	9
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2020	2019
	€	€
Wages and salaries	197,752	254,294
Social security costs	17,183	28,114
Pension costs	7,827	8,693
	<u> </u>	<u> </u>
	<u>222,762</u>	<u>291,101</u>

There were no employees (2019: no employees) who received remuneration (including benefits and excluding employer pension costs) in excess of €60,000 (2019: €60,000) for the financial year. No directors remuneration was paid during the financial year.

6 Interest payable and similar expenses

	2020	2019
	€	€
Other finance costs:		
Interest on bank loan	10,217	9,172
	<u> </u>	<u> </u>

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

7 Taxation

The company has obtained exemption from the Revenue Commissioners in respect of corporation tax, it being a company not carrying on a business for the purpose of making a surplus. DIRT tax is payable on any interest income received in excess of €32. No provision has been made in these financial statements for corporation tax as the company is exempt from corporation tax.

No provision has been made in the financial statements for deferred tax as the company is exempt from corporation tax.

8 Tangible fixed assets

Current financial year	Freehold land and buildings	Fixtures & fittings	Books, equipment and computer equipment	Website	Total
	€	€	€	€	€
Cost					
At 1 January 2020 and 31 December 2020	255,524	46,951	11,717	2,551	316,743
Depreciation and impairment					
At 1 January 2020	5,110	43,885	10,835	2,455	62,285
Depreciation charged in the financial year	5,110	460	189	14	5,773
At 31 December 2020	10,220	44,345	11,024	2,469	68,058
Carrying amount					
At 31 December 2020	245,304	2,606	693	82	248,685
At 31 December 2019	250,414	3,066	882	96	254,458
				2020	2019
				€	€
Freehold				245,304	250,414

Ulster Community Investment Trust (Ireland) hold the following charges over the company's assets as security for monies owed to it:

1. A first fixed charge over the company's land and buildings and a floating charge over all other assets at the land and buildings, and
2. A first floating charge over all fixed assets and book debts of the company.

The amount owed to the Ulster Community Investment Trust (Ireland) at 31 December 2020 was €150,452 (2019: €150,813), bears interest at 6% per annum and is being repaid in monthly instalments of €1,340 per month. As a result of the impact of the Covid 19 pandemic, the company availed of a repayment holiday 5 months during the year, after which monthly repayments resumed as normal.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

9 Debtors

	2020	2019
	€	€
Amounts falling due within one year:		
Debtors - training	10,752	21,347
Prepayments	8,325	7,871
	<u>19,077</u>	<u>29,218</u>

The fees owed by students are in accordance with contract payment plans. The terms of prepayments are based on the underlying contracts.

10 Creditors: amounts falling due within one year

	Notes	2020	2019
		€	€
Amounts owed to credit institutions	12	7,100	6,754
Trade creditors		9,433	10,832
PAYE, social security and TWSS refund due		11,844	6,690
Deferred income	13	85,933	-
Accruals		6,110	43,946
		<u>120,420</u>	<u>68,222</u>

The long-term loan is secured as described in the tangible fixed assets note above.

The terms of trade creditors and accruals are based on the underlying contracts.

The PAYE creditor is subject to the terms of the relevant legislation.

11 Creditors: amounts falling due after more than one year

	Notes	2020	2019
		€	€
Amounts owed to credit institutions	12	<u>143,352</u>	<u>144,059</u>

The long-term loan is secured as described in the tangible fixed assets note above.

Amounts included above which fall due after five years are as follows:

Payable by instalments owed to credit institutions	<u>107,582</u>	<u>117,045</u>
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CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

12 Loans and overdrafts

	2020 €	2019 €
Mortgage loan	150,452	150,813
Payable within one year	7,100	6,754
Payable after one year	143,352	144,059

The long-term loan is secured as described in the tangible fixed assets note above.

13 Deferred grants

	2020 €	2019 €
Arising from government and other agency grants	85,933	-

Deferred grants arise from grants awarded and received in 2020 for which the relevant expenditure related to those grants will not be incurred until 2021.

Deferred grants is included in the financial statements as follows:

	2020 €	2019 €
Current liabilities	85,933	-

14 Retirement benefit schemes

Defined contribution schemes	2020 €	2019 €
Charge to statement of financial activities in respect of defined contribution schemes	7,827	8,693

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

15 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

16 Capital redemption reserve

The fixed asset property reserve is comprised of two donations that were made to the company by the Bons Secours Hospital in the amount of €96,000 and the Tomar Trust in the amount of €54,000. The capital donations were made to the company on condition that the funds were used to purchase the company's Land & Buildings. No other conditions were imposed upon the company in respect of the use of these donations.

17 Events after the reporting date

On 11 March 2020, the World Health Organisation officially declared COVID-19, the disease caused by the novel coronavirus, a pandemic. The company recognises this is a risk the company is exposed to from a financial and operational point of view. Whilst the pandemic has had an impact on the company, the Board and management team have reduced the significance of this by reacting swiftly and purposefully to ensure continuity of service and the protection of company reserves. These actions have ensured support for staff, clients, students, and other key stakeholders.

The company continues to identify, assess, and plan for several financial and operational outcomes. Arising from these analyses, the company is taking steps to protect its reserves, notably by availing of Government COVID-19 wage subsidy support schemes, applying for additional funding from Tusla and Pobal as required, and continuing to review and eliminate non-essential operating costs.

From an operational perspective the focus remains on changing how services are delivered. The company moved to developing and advertising telephone counselling options for service users to ensure clients could receive mental health support on a timely basis throughout the crises and particularly during the periods of lockdown. The professional training courses were continued to completion and / or certification for each academic year, as we changed to online video-conferencing platforms and re-designed huge swathes of learning.

The Board of Directors has determined that this event is a non-adjusting subsequent event and accordingly the financial position and results for the year ended 31 December 2020 have not been adjusted, which is consistent with financial reporting standards. The directors have reviewed the activities and services in the period following the balance sheet date and considered the impact of the COVID-19 pandemic. The directors have also considered the current financial position of the company and the resources within the company.

Based on information available at this time, the directors believe the company will be able to continue to carry out activities and services through the current difficult period and anticipate having sufficient cash resources to manage the disruption to its activities and services, caused by COVID-19, for at least 12 months from the signing of the financial statements.

18 Related party transactions

During the financial year no remuneration or reimbursement of expenses was made to directors in connection with their duties as directors/trustees.

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

19 Cash generated from operations

	2020 €	2019 €
Net movement in funds for the financial year after tax	6,598	(3,544)
Adjustments for:		
Finance costs	10,217	9,172
Elimination of amortisation of property reserve	-	3,000
Depreciation and impairment of tangible fixed assets	5,773	(4,363)
Correction of prior year depreciation land and buildings	-	(5,110)
Movements in working capital:		
Decrease in debtors	10,141	9,046
Increase in creditors	52,198	38,050
Cash generated from operations	<u>84,927</u>	<u>46,251</u>

20 Analysis of changes in net funds/(debt)

	1 January 2020 €	Cash flows €	31 December 2020 €
Cash at bank and in hand	79,021	74,003	153,024
Borrowings excluding overdrafts	(150,813)	361	(150,452)
	<u>(71,792)</u>	<u>74,364</u>	<u>2,572</u>

21 Approval of financial statements

The directors approved the financial statements on the 11 May 2021

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE
UNAUDITED MANAGEMENT INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	2020 €	2020 €	2019 €	2019 €
Incoming resources				
Voluntary income				
Donations		7,903		9,887
Fundraising activities				
Fundraising		330		4,211
Charitable activities				
TUSLA grants	181,373		161,900	
HSE - Section 39 grant	35,000		30,000	
HSE - Other grant	10,000		60,000	
Other grants	200		1,625	
CCC Community Development Capital grant	3,000		-	
Rethink Ireland Social Enterprise Development grant	10,000		-	
RTE Does Comic Relief Adapt & Respond grant	1,500		-	
RTE Does Comic Relief Demand For Digital grant	1,650		-	
Hospital Saturday Fund	-		4,000	
Amortisation of grant	-		3,000	
Counselling, education, training and supervision	238,363		269,233	
		481,086		523,758
Miscellaneous income		3,083		4
Total incoming resources		492,402		537,860
Resources expended				
Payroll costs				
Wages and salaries including social insurance & employer's pension costs	269,090		291,101	
Wages subsidies received	(46,328)		-	
Staff welfare	1,885		-	
Staff training and development	3,950		-	
Staff recruitment costs	4,900		-	
	233,497		291,101	
Premises costs				
Rent payable	-		-	
Canteen	1,588		4,307	
Insurance	8,749		8,211	
Light & heat	5,332		5,253	
Cleaning and waste	3,376		2,245	
Repairs and maintenance	4,507		2,186	
Healthy and safety costs	7,911		-	
	31,463		22,202	

CORK COUNSELLING SERVICES COMPANY LIMITED BY GUARANTEE

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	2020 €	2020 €	2019 €	2019 €
Counselling, education, training and supervision costs				
Outside training & trainers	76,276		62,258	
Professional development	30,526		33,890	
Travel, workshop & training	2,715		13,093	
Supervision	31,720		41,964	
Workshop/room hire/accommodation	4,988		-	
	<u>146,225</u>		<u>151,205</u>	
Professional and related costs				
Legal costs	1,202		4,608	
Accountancy costs	10,204		12,845	
Audit fees	5,465		5,535	
	<u>16,871</u>		<u>22,988</u>	
Marketing and advertising				
Marketing and advertising	16,481		11,567	
	<u>16,481</u>		<u>11,567</u>	
Other administrative costs				
Printing, postage and stationery	7,020		10,411	
Telephones and broadband	3,157		2,835	
Computer, fundraising and photocopying costs	9,836		7,786	
Bank charges	725		940	
General expenses	764		5,383	
Subscriptions	3,775		5,067	
Depreciation	5,773		747	
	<u>31,050</u>		<u>33,169</u>	
Total resources expended		(475,587)		(532,232)
Net incoming resources		<u>16,815</u>		<u>5,628</u>
Interest payable and similar expenses				
Loan interest		(10,217)		(9,172)
Net movement in funds for the financial year		<u>6,598</u>		<u>(3,544)</u>

