

Company registration number: 02820673

Charity registration number: 1022341

The Foundation for Emotional Therapeutic Counselling

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 July 2021

The Foundation for Emotional Therapeutic Counselling

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The Foundation for Emotional Therapeutic Counselling

Reference and Administrative Details

Trustees	Mr Ray Russell Innes (resigned 15 August 2020) Mr Harry Robinson (resigned 30 August 2020) Ms Miriam Tait (resigned 4 March 2021) Mr Chris Davies Mrs Linda John Ms Julia Jackson (appointed 5 March 2021)
Principal Office	13 Vale Head Handforth Wilmslow SK9 3BP The charity is incorporated in England and Wales.
Company Registration Number	02820673
Charity Registration Number	1022341
Independent Examiner	Arubus Chartered Accountants Units 1-4 Stocktons Courtyard Overbury Tewkesbury Gloucestershire GL20 7NT

The Foundation for Emotional Therapeutic Counselling

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 July 2021.

Objectives and activities

Our aim and objectives

The aim of the Foundation is to provide trained Emotional Therapists so that those who are in need of emotional therapy may have access to this type of healing.

The focus of our work

Emotional Therapeutic Counselling is a means of helping people who are suffering emotional turmoil in their lives, whether brought about by a crisis or long term situation, persistent unhappiness, depression, apathy or difficulties in relating to others.

Ensuring our work delivers our aims

The Academy of Emotional Therapeutic Counselling (feeder school) holds a four year part-time training course consisting of five parts. The length of training can vary in order to allow the consolidation and integration of theoretical knowledge and clinical experience. When students qualify, they become members of the Foundation for Emotional Therapeutic Counselling and their details are then listed on the Foundation website so that those looking for counselling can seek out a suitable counsellor within their area.

How our activities deliver public benefit

We have referred to the guidance contained in the Charity Commissions general guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities.

Who used and benefited from our services?

Anyone who was in need of emotional support and sought our help.

Achievements and performance

The Charity's achievement for the year to 31 July 2021 included the continuance of subsidised therapy, investing in the future of the website and The Foundation training courses are now accredited with The National Counselling Society (previously with BCMA).

Financial review

Policy on reserves

Reserves Policy

The Foundation has very little fixed annual expenditure but all monies are available on demand. The funds at 31 July 2021 were £21,105 (2020 £20,855).

Principal Funding Sources

Income is generated via subscriptions, fundraising and training levy.

Investment Policy

The Foundation does not hold a large sum and funds are invested in bank deposit accounts.

The Foundation for Emotional Therapeutic Counselling

Trustees' Report

Structure, governance and management

Nature of governing document

Governing document

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

The Foundation for Emotional Therapeutic Counselling is a charitable company limited by guarantee incorporated on 24th May 1993 and registered as a charity in the same year. The Foundation was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under the Articles of Association.

Recruitment and appointment of management committee

Guidelines as set out in the Memorandum and Articles of Association.

Trustee induction and training

Trustees are obliged to familiarise themselves with Charity and Company Law. The Foundation currently has three Trustees with a wide divergence of business and educational experience. All are in regular contact with the Foundation and attend Council Management meetings. Trustees can serve for up to five years but can be subsequently re-elected.

Organisational structure

All certified and practising members of the Foundation are eligible to be elected to the Council. The Council is made up of a chairman, a secretary and up to a further nine members. At present there are three Trustees.

Trustee meetings are held as and when required with the council meeting at least every three months.

Risk management

The Foundation is insured as a single unit with members affecting their own cover. The Foundation does not have any employees or premises.

Guidance is given to therapists during training on all aspects of risk management and insurance.

The Foundation for Emotional Therapeutic Counselling

Statement of Trustees' Responsibilities

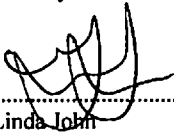
The trustees (who are also the directors of The Foundation for Emotional Therapeutic Counselling for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

Approved by the trustees of the charity on 14.4.22 and signed on its behalf by:


.....
Mrs Linda John
Trustee

**Accountants' Report to the Trustees on the Preparation of the Unaudited Statutory
Accounts of
The Foundation for Emotional Therapeutic Counselling
for the Year Ended 31 July 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Foundation for Emotional Therapeutic Counselling for the year ended 31 July 2021 as set out on pages 6 to 12 from the company's accounting records and from information and explanations you have given us.

This report is made solely to the Board of Directors of The Foundation for Emotional Therapeutic Counselling, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of The Foundation for Emotional Therapeutic Counselling and state those matters that we have agreed to state to the Board of Directors of The Foundation for Emotional Therapeutic Counselling, as a body, in this report in accordance with the Association of Chartered Certified Accountants. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Foundation for Emotional Therapeutic Counselling and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Foundation for Emotional Therapeutic Counselling has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and results of The Foundation for Emotional Therapeutic Counselling. You consider that The Foundation for Emotional Therapeutic Counselling is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Foundation for Emotional Therapeutic Counselling. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Arbus
.....

Arbus Chartered Accountants
Units 1-4
Stocktons Courtyard
Overbury
Tewkesbury
Gloucestershire
GL20 7NT

Date: *21 April 2022*

The Foundation for Emotional Therapeutic Counselling

Statement of Financial Activities for the Year Ended 31 July 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	430	-	430	1,005
Charitable activities		29,491	-	29,491	24,661
Investment income	4	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
Total income		<u>29,923</u>	<u>-</u>	<u>29,923</u>	<u>25,668</u>
Expenditure on:					
Charitable activities	5	<u>(29,673)</u>	<u>-</u>	<u>(29,673)</u>	<u>(27,007)</u>
Total expenditure		<u>(29,673)</u>	<u>-</u>	<u>(29,673)</u>	<u>(27,007)</u>
Net income/(expenditure)		<u>250</u>	<u>-</u>	<u>250</u>	<u>(1,339)</u>
Net movement in funds		250	-	250	(1,339)
Reconciliation of funds					
Total funds brought forward		<u>6,269</u>	<u>14,586</u>	<u>20,855</u>	<u>22,194</u>
Total funds carried forward		<u>6,519</u>	<u>14,586</u>	<u>21,105</u>	<u>20,855</u>

All of the charity's activities derive from continuing operations during the above two periods.

The Foundation for Emotional Therapeutic Counselling

(Registration number: 02820673)

Balance Sheet as at 31 July 2021

	Note	2021 £	2020 £
Current assets			
Cash at bank and in hand		22,304	22,055
Creditors: Amounts falling due within one year	9	<u>(1,199)</u>	<u>(1,200)</u>
Net assets		<u>21,105</u>	<u>20,855</u>
Funds of the charity:			
Restricted funds		14,586	14,586
Unrestricted income funds			
Unrestricted funds		<u>6,519</u>	<u>6,269</u>
Total funds		<u>21,105</u>	<u>20,855</u>

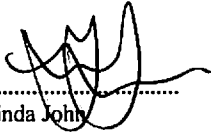
For the financial year ending 31 July 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 12 were approved by the trustees, and authorised for issue on 14.4.21 and signed on their behalf by:


.....
Mrs Linda John
Trustee

The Foundation for Emotional Therapeutic Counselling

Notes to the Financial Statements for the Year Ended 31 July 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. .

The address of its registered office is:

13 Vale Head
Handforth
Wilmslow
SK9 3BP

The principal place of business is:

13 Vale Head
Handforth
Wilmslow
SK9 3BP

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Foundation for Emotional Therapeutic Counselling 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

The Foundation for Emotional Therapeutic Counselling

Notes to the Financial Statements for the Year Ended 31 July 2021

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Foundation for Emotional Therapeutic Counselling

Notes to the Financial Statements for the Year Ended 31 July 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

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 charity after deducting all of its liabilities.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. *Where fair value cannot be measured reliably, investments are measured at cost less impairment.*

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Derivative financial instruments

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

The Foundation for Emotional Therapeutic Counselling

Notes to the Financial Statements for the Year Ended 31 July 2021

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations from individuals	430	430	1,005
	<u>430</u>	<u>430</u>	<u>1,005</u>

4 Investment income

	Unrestricted funds		
	General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>

5 Expenditure on charitable activities

		Unrestricted funds		
		General £	Total 2021 £	Total 2020 £
Governance costs	Note 6	29,673	29,673	27,007
		<u>29,673</u>	<u>29,673</u>	<u>27,007</u>

The Foundation for Emotional Therapeutic Counselling
Notes to the Financial Statements for the Year Ended 31 July 2021

6 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2021	2020
		£	£
Legal fees	2,700	2,700	2,592
Marketing and publicity	1,855	1,855	1,389
Other governance costs	23,918	23,918	21,586
	<u>28,473</u>	<u>28,473</u>	<u>25,567</u>

7 Independent examiner's remuneration

	2021	2020
	£	£
Other fees to examiners		
The examining of accounts of any associate of the charity	<u>1,200</u>	<u>1,440</u>

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

9 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors	<u>1,199</u>	<u>1,200</u>

The Foundation for Emotional Therapeutic Counselling

Detailed Statement of Financial Activities for the Year Ended 31 July 2021

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Appeals and donations	430	1,005
	<u>430</u>	<u>1,005</u>

	Total 2021 £	Total 2020 £
<i>Charitable activities</i>		
Course fees	3,455	1,430
Other income from charitable activities	26,036	23,231
	<u>29,491</u>	<u>24,661</u>

	Total 2021 £	Total 2020 £
<i>Charitable activities</i>		
Sundry expenses	-	(100)
Insurance	(246)	(234)
Training	(23,672)	(21,268)
Printing, postage and stationery	-	(84)
Advertising	(1,855)	(1,164)
Conference & Meeting Costs	-	(125)
Independent examiner's fee	(1,200)	(1,440)
Solicitors Fees	-	(1,172)
Subsidised Therapy Claim	(2,700)	(1,420)
	<u>(29,673)</u>	<u>(27,007)</u>