

**The
Metanoia
Institute**

**Annual Report and Financial
Statements**

31 August 2021

Charity Registration Number
1050175

Company Registration Number
02918520 (England and Wales)

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Reference and administrative details Year to 31 August 2021

Trustees	Professor Ronald Parker (Chairman) Jeffrey White (Vice Chairman) Jeremy Arnott Dotun Olaleye Kelvin Jones Helen Coleman The trustees are appointed by resolution for a term of up to four years and thereafter for three year terms for a maximum of four consecutive terms.
Company secretary	Najaba Riaz
Chief Executive Officer	Professor Sheila Owen-Jones
Deputy Chief Executive Officer	Professor Carrie Weston
Director of Finance	Anita Faherty
Registered office	13 North Common Road Ealing London W5 2QB
Additional training premises	13 Gunnersbury Avenue Ealing London W5 3XD

Reference and administrative details Year to 31 August 2021

Faculty Heads

Faculty 1: Faculty of Psychotherapy and Counselling	Professor Carrie Weston (Acting Head)
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Faculty 2: Post-Qualification and Professional Doctorates, Research Strategy and Innovation	Dr Biljana van Rijn
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Faculty 3: Faculty of Applied Social and Organisational Sciences Research Strategy and Innovation	Dr Peter Pearce
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Company registration number	02918520
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Charity registration number	1050175
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Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
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Bankers	HSBC Bank plc 46 The Broadway London W5 5JZ
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Solicitors	Bates Wells & Braithwaite LLP 2-6 Cannon Street London EC4M 6YH
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Metanoia Institute ("the Institute") is a charitable company limited by guarantee and was established on 8 April 1994. It is governed by a Memorandum and Articles of Association.

Metanoia Institute's registered charity number is 1050175 and the company registered number is 02918520.

The Trustees, who are also directors of the Metanoia Institute for the purposes of the Companies Act, present their annual report and audited financial statements for the year ended 31 August 2021. These have been prepared under the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later, and comply with the latest Office for Students' Accounts Direction.

Governance Structure

Metanoia Institute's governance arrangements have been developed to ensure compliance and best practice is maintained across the organisation. It is recognised that good governance is essential to the maintenance of academic standards, the quality of the student learning experience and effective organisational management.

The Board of Trustees is the senior body acting with legal and strategic accountability for Metanoia Institute. The various authorities and actions pertaining to the Board of Trustees are detailed in two formal documents: the organisation's Articles of Government and Articles of Association. These include: responsibility for corporate governance, corporate performance monitoring, financial stewardship and the on-going management, appraisal and support of the Chief Executive Officer.

The work of the Board of Trustees is supported by three specialist sub-committees: the Finance, Audit and Risk, and Staffing and Remuneration (SARSC). The Audit Committee was formed in May 2020, a Chair is due to be appointed. The purpose of the Finance Committee and the Audit and Risk Committee is to assist the Board of Trustees in fulfilling their statutory financial responsibilities and in discharging their duties diligently and efficiently. The purpose of the SARSC is to oversee and support policies and practice in relation to Human Resources functions and to make proposals to the Board of Trustees for implementation.

At the functional level, there is a clear division of responsibility between the Executive Committee (which oversees all matters pertaining to the strategic, financial and operational management of the Institute) and Academic Board (which oversees all matters pertaining to programmes, academic and student lifecycle management as well as quality assurance and enhancement).

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governance Structure (continued)

The **Executive Committee** comprises the Chief Executive Officer, Deputy Chief Executive Officer, the three Faculty Heads with the Director of Finance, the Head of Policy, Planning and Compliance (with the Registrar, Facilities Manager and Human Resources Manager), as well as other specialist staff, in attendance on an as-needs basis). Its core purposes are to enact the decisions of the Board of Trustees, to manage the Institute's day-to-day operations and to be accountable for the financial management of the Institute. Furthermore, the Executive ensures that an appropriate level of consideration is given to strategic decisions, that there is accountability for those decisions and that effective leadership of, and communication with, staff across the Institute is achieved. The key responsibilities of the Executive are to deliver the strategic and operational plans of the Institute as well as to agree policies and effect implementation to support that delivery.

The **Academic Board** comprises the Chief Executive Officer, Deputy Chief Executive Officer, the three Faculty Heads, the Director of Finance, the Head of Policy, Planning and Compliance and Registrar as well as academic staff, support staff and student representatives. Its core purpose is to act as Metanoia Institute's principal academic authority. The Academic Board guides the Institute's academic development, the setting and maintenance of threshold academic standards and the quality of the student experience, oversees quality assurance and enhancement and determines and authorises curriculum content. The Academic Board is also responsible for the development of the Strategic Plan as regards portfolio, research, learning, teaching and assessment and for overseeing the validation and review of programmes, the admission of students and all areas pertaining to academic delivery and support.

To enable the Executive Committee and Academic Board to carry out these manifold tasks, **eight sub-committees** (Clinical Ethics; Equality and Diversity; Quality and Standards; Learning, Teaching and Enhancement; Joint Staff Student; Research; Research Ethics, Equality, Diversity and Inclusion) have been established and are operating in a deliberative context. Each sub-committee is chaired by a Faculty Head or other senior manager and comprises a broad membership of staff and student representatives that encourages robust and effective ideas-generation and decision-making throughout the Institute.

Committee servicing is jointly managed by the Professional Bodies and Internal Academic Support Manager and Academic Quality Manager, with the former responsible for diarising and resourcing committee meetings and overseeing the performance of the secretariat, and the latter responsible for brokering the relationships that exist between Metanoia Institute's various committees and sub-committees and for monitoring actions required by the committees.

Vision

Metanoia Institute's Vision 2021 is to invest in the life of individuals, organisations and communities through excellence in training, practice and research in the psychological therapies.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Mission

Metanoia Institute's Mission is fourfold:

- ◆ to offer high quality humanistic and integrative programmes of study in the professional fields of counselling, psychotherapy, counselling psychology and supervision through the provision of a wide range of opportunities;
- ◆ to support research in the development of professional knowledge;
- ◆ to work closely with relevant professional bodies as well as our partners in the university sector;
- ◆ to provide lower cost counselling and psychotherapy services for the benefit of the general public.

Metanoia Institute's Strategic Aims support the pursuit of the Vision and Mission as follows:

- ◆ to offer teaching, training and lifelong learning of the highest quality;
- ◆ to provide students with a theoretical and practical framework on which to base a professional and ethical practice in their chosen area of work;
- ◆ to enhance the Institute's reputation for excellence in practice-based research and scholarship;
- ◆ to offer practitioner training within a supportive and inclusive environment;
- ◆ to provide accessible and effective educational and clinical services to the wider community;
- ◆ to develop a research active culture within each Faculty.

Strategic Aims

Metanoia Institute's decision to work towards Degree Awarding Powers (DAPs) is a collective reflection of the aspirations of our Board of Trustees, Executive, Administration, Support Staff and the Student Body. The strategic aim of the organisation is to consolidate the Institute's position in Higher Education by attaining DAPs, potentially leading to University Title.

Reasons for Seeking Degree Awarding Powers

Metanoia Institute is a mature institution, having been engaged in the development, delivery and assessment of higher education programmes since 1984.

Four of the Institute's programmes (MSc Gestalt Psychotherapy, MSc Integrative Psychotherapy, MSc Transactional Analysis Psychotherapy and BA (Hons) Person-Centred Counselling) having been in continuous delivery for more than twenty years, and the DPsych is currently recruiting its twenty first cohort.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Reasons for Seeking Degree Awarding Powers (continued)

Metanoia Institute is confident that it has the capacity to act as an autonomous academic community, to determine the awards that it offers, to set and maintain the academic standards of those awards and to assure and enhance the quality of the student experience in delivering those awards.

Management Structure

Metanoia Institute's Chief Executive Officer is appointed by, and responsible to the Board of Trustees for implementing the decisions of the Board of Trustees, for the day-to-day executive direction and management of the Institute and for the leadership of all staff.

The Chief Executive Officer line manages the Deputy Chief Executive Officer, the two Faculty Heads, Director of Finance, the Head of Policy, Planning and Compliance (the Executive Team) as well as the Facilities Manager and the Professional Bodies and Internal Academic Manager. With the addition of the Human Resources Manager, this group comprises the Institute's Senior Management Team.

Each Faculty Head has operational management responsibility for their Faculty, a specific portion of the academic portfolio, as well as line management responsibility, for a portion of the complement of academic staff, administration and support staff. Details of staff numbers are provided in note 3 of these financial statements.

Academic Provision

Metanoia Institute's provision is grouped into three distinct faculties:

- ◆ The Faculty of Psychotherapy & Counselling;
- ◆ The Faculty of Post-Qualification & Professional Doctorates and Research Strategy and Innovation.
- ◆ The Faculty of Applied Social and Organisational Sciences.

The **Faculty of Psychotherapy and Counselling** oversees the work of staff and students involved in eight 'core' programmes:

- ◆ Bachelor of Arts (Honours) Person-Centred Counselling;
- ◆ Bachelor of Science (Honours) Humanistic Counselling;
- ◆ Bachelor of Science (Honours) Reflective Therapeutic Practice;
- ◆ Master of Science Contemporary Person-Centred Psychotherapy and Applications;
- ◆ Master of Science Gestalt Psychotherapy;
- ◆ Master of Science Humanistic Psychotherapy;
- ◆ Master of Science Integrative Psychotherapy;
- ◆ Master of Science Transactional Analysis Psychotherapy.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Academic Provision (continued)

The **Faculty of Post-Qualification & Professional Doctorates** oversees the work of staff and students involved in the following four programmes as well as other Doctoral developments:

- ◆ The Doctorate in Psychotherapy by Professional Studies;
- ◆ The Doctorate in Psychotherapy by Public Works;
- ◆ The Doctorate in Counselling Psychology and Psychotherapy by Professional Studies;
- ◆ Doctor of Philosophy.

Research Strategy and Innovation oversees the work of staff and students involved in research across the Institute and with external partners in the following ways:

- ◆ Research Centre: faculty-wide research activities and events;
- ◆ Research projects with other universities and research partners;
- ◆ Research Clinic and the development of research practice;
- ◆ The Ealing Borough Consortium;
- ◆ Maximise Research and Research Income.

The **Faculty of Applied Social & Organisational Sciences** oversees the work of staff and students involved in the following programmes and counselling services:

- ◆ Master of Arts Therapeutic Fostering and Adoption;
- ◆ Master of Science Creative Writing for Therapeutic Purposes;
- ◆ Post Qualification Conversion Diploma from Adult to Adolescent and School Counselling;
- ◆ Post Qualification, IAPT licensing, Practitioner and Supervisor Training Counselling for Depression;
- ◆ Ethos Schools Based Humanistic Counselling Randomised Controlled Trial;
- ◆ The Metanoia Schools Counselling Service.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Academic Provision (continued)

In addition to the higher education provision listed above, Metanoia Institute continues to offer professional clinical diploma routes for those students who wish to register as practitioners but who do not seek an academic qualification. These programmes are taught alongside the award-bearing programmes and overseen by the Faculty of Applied Psychotherapy and Counselling:

- ◆ Diploma in Gestalt Psychotherapy;
- ◆ Diploma in Humanistic Counselling;
- ◆ Diploma in Humanistic Psychotherapy;
- ◆ Diploma in Integrative Psychotherapy;
- ◆ Diploma in Person-Centred Counselling;
- ◆ Diploma in Person-Centred Psychotherapy;
- ◆ Diploma in Transactional Analysis Counselling;
- ◆ Diploma in Transactional Analysis Psychotherapy.

Metanoia Institute offers a range of continuing professional development (CPD) courses (ranging from evening workshops to multi-day professional certificates) that are open to students, staff, alumni and independent practitioners.

The student population

Metanoia Institute's student population stood at 1203 in 2020/21 of whom 170 are enrolled on Doctoral programmes, 374 on taught post-graduate programmes, 156 on taught undergraduate programmes and 503 on professional programmes.

Metanoia Institute recruits both nationally and internationally, with 70% of the Institute's current students coming from the UK, 15% from within the EU and 6% from outside the EU. Within the UK, 30% came from London, 10% from the South-East and 8% from the remainder of the UK. Approximately 3% remain unknowns and 45% of UK domiciled students remain non-categorised, but we are working on improving our data capture.

Metanoia Institute's student body is both atypical and diverse, with a gender ratio of 78% female to 21% male (704:190) and an average age of 44 across all programmes. 12% of the Institute's students identify as belonging to the Lesbian, Gay, Bisexual, Transsexual Queer or Intersex (LGBTQI) community, 18% identify as coming from a black or minority ethnicity (BME) background and 10% have disclosed a specific disability.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Quality monitoring

Quality monitoring is undertaken via the following:

- ◆ Assessment Boards;
- ◆ Board of Studies;
- ◆ University Validation Bodies (MDX);
- ◆ Accreditation Boards (BPS, BACP, BAC, EAP, HCPC, UKCP);
- ◆ Quality Assurance Agency (QAA);
- ◆ University Annual Monitoring Reports;
- ◆ External Examiner Reports.

How our activities deliver public benefit

The Trustees have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on Public Benefit.

The Trustees and senior management team took account of the public benefit requirements whilst setting the strategic plan. The Trustees and senior management team believe that all of Metanoia Institute's objects are linked to the provision of public benefit.

Examples of public benefit with regard to our educational services include:

- ◆ The provision of a range of training courses in psychological therapy;
- ◆ The provision of a range of optional academic qualifications for students undertaking a first training in psychological therapy from BA (Hons) to Doctoral level;
- ◆ The provision of additional academic qualifications to practitioners qualified in psychological therapy;
- ◆ The provision of a range of workshops suitable for continuing professional development needs;
- ◆ The provision of increased public learning and knowledge about psychological therapy, as a result of research undertaken within the Metanoia Institute; and
- ◆ Counselling within Schools.

A key feature of the Institute's public benefit with regard to educational services is the provision of bursaries. The Trustees believe that students' learning is enhanced in a diverse community and Metanoia students come from a range of ethnic and economic backgrounds.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

How our activities deliver public benefit (continued)

Examples of public benefit with regard to clinical services include:

- ◆ The Metanoia Counselling and Psychotherapy Service (MCPS) provides accessible services to the local community. The growth of the Research Clinic within the Metanoia Counselling and Psychotherapy Service demonstrates the Institute's commitment to the provision of effective psychological therapies. Clients, together with their counsellor/psychotherapist, will complete a number of psychological testing measures on a regular basis which will then be analysed. Examples of measures to be used include Beck's depression inventory. Results of the research will be used to ensure the effectiveness of training and therefore services.
- ◆ The provision of a free assessment to ascertain whether a potential client is suitable for counselling/psychotherapy within MCPS. Previously clients were assessed by telephone, but since the introduction of face-to-face assessment sessions, greater numbers of clients have applied for assessment sessions.
- ◆ The provision of lower cost counselling and psychotherapy services to the general public. Fees are charged on a sliding scale dependent on the client's ability to pay. The minimum fee is £5 per session which is typically 10% of the fee charged by therapists in private practise.
- ◆ The provision of counselling for a period of up to six months. Access to counselling via the local Primary Care Trust is usually restricted to four, six or twelve sessions.
- ◆ The provision of a range of different approaches to counselling and psychotherapy to offer clients a choice of a preferred mode.

Achievements and performance

The principal activity is the provision of training courses in counselling, psychotherapy and counselling psychology and other associated therapies. The Institute also runs a lower cost clinic service. There has been no change in the policies adopted by the Institute to achieve its objectives.

The training is provided using the services, on a part time basis, of qualified trainers in counselling, psychotherapy and counselling psychology. Many students are qualified professionals in the healthcare field. The courses are run on a part-time basis, normally at weekends and lead to a qualification after three or more years. New funding for research via counselling in schools activity also contributed to an increase in income.

Metanoia Institute continued to invest in its rolling programme of repairs and replacements, ensuring that student facilities are maintained to the highest standards.

Premises

Metanoia Institute fully owns its two properties at North Common Road and Gunnersbury Avenue, which were recently valued at approximately £6,000,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising

The Institute does not solicit donations and is not registered with the Funding Regulator. If a donation is received from an individual, the Institute applies GDPR rules. There have been no complaints received in the year in respect of fundraising.

Trustees Report COVID-19 Response

Activities affected by virus control measures

The Institute responded pro-actively to the control measures required for COVID-19 with the following measures put in place:

- ◆ Knowing that we would not be able to teach face to face, we moved our teaching to live on-line training.
- ◆ All our employees worked from home. We provided those that required equipment with the necessary technology.
- ◆ All scheduled meetings took place on-line. These included internal Board of Trustees, Committee, Executive and Team meetings. Meetings also took place with external organisations on-line.

Both staff and students responded well to our new way of working.

We continued to invest in technology for our staff to work from home, but this has been at a cost of £5,385 (2020: £8,202) All off the technology purchased will be returned to the organisation when staff can return to work.

FUTURE PLANS

Similar to other higher education institutions, we are faced with the complex task of ensuring that our students receive the best possible training experience, whilst taking all appropriate measures to prevent the continued transmission of the COVID-19 virus in the community. We will be returning to face-to-face teaching from September 2021, as is expected of all Universities. However, we will still have plans in place for a dual delivery approach should they be required.

A Metanoia Institute 'dual delivery' model, guided by two equal principles:

- ◆ Safety and wellbeing of the entire Metanoia Institute community
- ◆ Provision of learning and teaching excellence on all programmes

The dual delivery approach will take a 'best of both worlds' position. Some learning opportunities will be offered to all students in a face-to-face format, with a spine of online teaching taking place via Zoom and through enhanced online activities. The dual delivery approach allows for flexibility in terms of respecting student choice, plus the potential for agility in the light of changing circumstances.

FUTURE PLANS (continued)

It will provide sufficient face-to-face teaching opportunities to ensure the continuity of the fundamentals of Metanoia Institute training; those being teaching which fosters relational learning and requires interpersonal, experiential opportunities. However, high-quality teaching and learning will also be offered online, producing a blended offer.

Operational arrangements:

As we are unable to comply fully with social distancing measures at our own premises, should they be reintroduced we have rented space at Middlesex University. This will allow us to comply with social distance measures when providing face to face learning.

To function within the principle of safety and wellbeing in our dual delivery model, the following operational measures will apply:

- ◆ When on premises, full safety precautions and resources will be mandatory (hand sanitiser, social distancing, self-reporting of symptoms, etc).
- ◆ All staff and students will need to provide personal contact details to enable 'track-and-trace' to operate.
- ◆ Students and staff should only attend on premises if they are feeling well and all those in their immediate household are well.
- ◆ Any person attending a teaching event on premises must leave immediately if they experience any symptoms of being unwell or related to COVID-19 (raised temperature, sore throat, cough, loss of sense of taste/smell).
- ◆ Students must inform their tutor / Academic Co-ordinator of their intention to either attend in person or study remotely, ideally no less than 24 hours prior to the timetabled teaching event.

These operational arrangements demonstrate to students and staff that we are fully guided by the principle of safety and wellbeing.

In the event of any local or national lock down we will revert to on-line teaching and students and staff have been made aware of this.

Phased Return to Work

For the new academic year we have implemented a phased return to work. Rotas, and flexible hours including staggered start and end times have been introduced. This will allow us to test health and safety measures in practice and ensure we can work with larger numbers before encouraging more of our workforce back. We would return to home working should restrictions be reintroduced.

FINANCIAL REVIEW

Financial performance

The incoming resources for the year amounted to £5,422,274, (2020: £4,461,830). This represents an increase of £960,443 on the previous year. We received a higher contract amount from Health Education England. In addition, we delivered significantly more Counselling for Depression provision than in the prior year.

Expenditure for the year amounted to £4,867,640 (2020: £4,312,678), an increase of £554,962. This increase in expenditure was mainly attributable to increased investment in professional staff.

As a result of the above, net income for the year was £554,634 (2020: £149,152).

Reserves policy and going concern

The Trustees define free reserves in accordance with Charity Commission guidelines in that they are generally unrestricted funds less tangible fixed assets, net of any related loans and excluding designated funds.

The Trustees have reviewed the Institute's reserves policy and have decided to set reserves at the equivalent of three months operating expenses, which approximates to £1,100,000 (2020: £950,000).

At 31 August 2021, free reserves amounted to £2,358,544 (2020: £1,749,268) which is above the target. Future plans include significant capital investment within the next two years and reserves are being held above target to achieve this plan. Restricted funds were received within year, the balance of these was £nil at year end.

Trustees have agreed to review the level of reserves annually to ensure the appropriateness of the agreed level of reserves and any action required to adjust funds held in reserves.

We have incorporated £37,000 within the 2021/22 budget to pay for the hire of room rental at another organisation should we require the need for social distancing measures as we are limited to amount of face to face teaching we can carry out within our own premises.

After making appropriate enquiries, including student enrolment numbers for 2021/22 academic year the Board of Trustees considers that the organisation has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The risk we face is if social distancing is reinstated and whether our students or prospective students are content with being taught through a mixture of blended learning. To mitigate risks we have incorporated a section within the Student Contracts informing them that we will adhere to Government Guidelines in the event that restrictions are reintroduced and will revert to live on-line teaching should another lockdown be implemented.

FINANCIAL REVIEW (continued)

We do not have a pension liability. We do have funds invested within a high street bank. Interest rates have decreased, and we have adjusted the forecast interest accordingly, but the decrease was minimal.

RISK MANAGEMENT

The Trustees have formally re-assessed and reviewed the major risks to which the Institute is exposed to. Particular attention has been paid to the risks associated with the economic climate. The effectiveness of control systems in mitigating the Institute's exposure to these risks have also been assessed. The key risks to the Institute, and measures to mitigate these risks, are listed below:

- ◆ Student numbers – The Institute mitigates the risk of not achieving the desired number of students by planning in advance, particularly as part of the budget process, and ensuring continued retention of students.
- ◆ Reputation – The Institute maintains quality and standards and ensures compliance in all areas, whilst also ensuring student involvement and engagement.
- ◆ Technology – The Institute ensures systems are up to date, encrypted and appropriate for business purposes and processes.

Risk assessment continues to be an ongoing process at the Institute.

Trustees' Report approved by the Trustees on 23 November 2021
and signed on their behalf by:



Professor Ronald Parker

Chairman

Statement of Corporate Governance and Internal Control Year to 31 August 2021

The following statement is provided to enable readers of the annual report and financial statements of Metanoia Institute to obtain a better understanding of its governance and legal structure. The statement covers the period from 1 September 2020 to 31 August 2021 and up to the date of the approval of the annual report and financial statements.

Metanoia Institute endeavours to conduct its business;

1. Having due regard to the UK Corporate Governance Code in so far as it is applicable to the Higher Education Sector.
2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities.

We have adopted the UK Corporate Governance Code. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code that we consider relevant to the Higher Education Sector.

The Board of Trustees recognises that as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

The Metanoia Institute is a Registered Charity and a Private Limited Company by guarantee without share capital use of limited exemption.

The Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below. The next AGM is due to take place in February 2022.

Name	Category of Membership	Date First Appointed	Expiry of Term of Office*	Date of Reappointment/Retirement	Attendance 1/9/20-31/8/21
Professor Ronald Parker	Chair	20/11/2000	20/11/2023	Reappointed: 26/11/2019	4 of 4
Jeffrey White	Vice-Chair, Trustee	29/04/2008	29/04/2020	Needs to be reappointed at next AGM	4 of 4
Jerry Arnett	Trustee	29/04/2014	29/04/2023	Reappointed: 05/02/2019	4 of 4
Helen Coleman	Trustee	26/11/2019	26/11/2023	N/A	3 of 4
Kelvin Jones	Trustee	26/11/2019	26/11/2023	N/A	4 of 4
Dotun Olaleye	Trustee	10/05/2016	10/05/2020	Needs to be reappointed at next AGM	3 of 4
In Attendance:					
Professor Sheila Owen-Jones	Chief Executive Officer	N/A	N/A	N/A	N/A
Professor Carrie Weston	Deputy Chief Executive Officer	N/A	N/A	N/A	N/A
Anita Faherty	Finance Director	N/A	N/A	N/A	N/A
Douglas Bertram	Secretary	N/A	N/A	N/A	N/A
Najaba Riaz	Secretary	N/A	N/A	N/A	N/A

Statement of Corporate Governance and Internal Control Year to 31 August 2021

Audit and Risk Committee		
Name	Category of Membership	Term
TBC	Chair	3 years
Helen Coleman	Trustee	3 years
Kelvin Jones	Trustee	3 years
<u>In Attendance:</u>		
Professor Sheila Owen-Jones	Chief Executive Officer	N/A
Professor Carrie Weston	Deputy Chief Executive Officer	N/A
Anita Faherty	Finance Director	N/A
Najaba Riaz	Secretary	N/A

The Audit and Risk Committee was formed in May 2020, a Chair of the Committee is due to be appointed.

Finance Committee		
Name	Category of Membership	Term
Jerry Arnott	Chair	4 years
Dotun Olaleye	Trustee	4 years
Jeffrey White	Trustee	4 years
<u>In Attendance:</u>		
Professor Sheila Owen-Jones	Chief Executive Officer	N/A
Anita Faherty	Finance Director	N/A
Douglas Bertram	Secretary	N/A
Najaba Riaz	Secretary	

Staffing and Remuneration Committee		
Name	Category of Membership	Term
Helen Coleman	Chair	4 years
Jerry Arnott	Trustee	4 years
Jeffrey White	Trustee	4 years
<u>In Attendance:</u>		
Professor Sheila Owen-Jones	Chief Executive Officer	N/A
Toyin Allen	Head of Human Resources	N/A
Douglas Bertram	Secretary	N/A
Najaba Riaz	Secretary	N/A

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. None of the Board of Trustees have any interests within the company.

The Secretary to the Board of Trustees maintains a register of financial and personal interest of the members of the Board of Trustees and senior post holders. This can be obtained by contacting naj.riaz@metanoia.ac.uk

Statement of trustees' responsibilities

The Trustees (who are also directors of The Metanoia Institute for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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 the Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of trustees' responsibilities (continued)

Each of the Trustees confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Meeting Procedures

Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Briefings are also provided on an ad hoc basis. Reports include overall financial performance of the organisation together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety issues. The Board of Trustees met 4 times in 2020/21.

The Board of Trustees receives advice on the conduct of its business from three committees. Each committee has its own terms of reference which have been approved by the Board of Trustees. These committees are, Finance, Staffing and Audit and Risk. The Audit and Risk Committee was formed in May 2020, a Chair is due to be appointed.

Metanoia Institute has a strong and independent non-executive element and no individual or group dominates its decision-making process. The organisation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chairman and Accounting Officer are separate.

Full minutes of all meetings, except those deemed to be confidential by the Board of Trustees, are published on the organisation website.

Appointment to the Board of Trustees

Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole.

Board of Trustees Performance

The Board of Trustees have made a strong contribution to the improvements made in 2020/21 through the setting of challenging targets with regular scrutiny of performance. There is strong performance management at Board meetings. The Board of Trustees provide robust scrutiny and challenge. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business. An independent review of the Board performance was carried out during 2020/21.

Committees

Audit and Risk Committee

The Audit and Risk Sub-Committee is responsible to the Board of Trustees in discharging its responsibilities for monitoring the integrity of the Institute's financial statements, the effectiveness of financial controls with regard to internal risk assessment and the performance and objectivity of external auditors. The Committee was formed in May 2020, a Chair is due to be appointed. The Committee is responsible for the following:

- ◆ To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings included within the management letter and management responses.
- ◆ To satisfy itself that all public funds received by the Institute are managed in line with regularity, propriety, and value for money.
- ◆ To satisfy itself that satisfactory arrangements are in place to promote best value, and to monitor other performance as shall be deemed to be reliable and appropriate measures of effectiveness.

Finance Committee

The Finance Committee oversees Metanoia Institute's financial reporting process, including the internal control structure and procedures for financial reporting and monitoring the integrity and appropriateness of the financial statements. The Committee monitors and reviews projected levels of income and expenditure across each Faculty and the whole Institute. It ensures an effective framework is in place to review performance against budget and to recommend improvements to accounting policies, systems, and procedures.

Staffing and Remuneration Committee

The Staffing Committee oversees and supports policies and practices in relation to Human Resources functions and to make proposals to the Board of Trustees for implementation. The Committee also report on Health and Safety issues. Terms of Reference of the Committees can be found on our website.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisations system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the organisations policies, aims and objectives, whilst safeguarding the public funds and assets. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure and can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of organisation policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the organisation for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the organisation is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there was a formal on-going process for identifying, evaluating and managing the

Institutes significant risks that had been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

The risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- ◆ comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Board of Trustees
- ◆ regular reviews by the Board of Trustees of periodic and annual financial reports which indicate financial performance against forecasts
- ◆ setting targets to measure financial performance
- ◆ the adoption of formal project management disciplines, where appropriate.

Review of effectiveness

As the Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. The Chief Executive Officer review of the effectiveness of the system of internal control is informed by:

- ◆ the work of the external auditors;
- ◆ the work of the senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework; and
- ◆ comments made by the organisation's financial statements and regularity auditors in their management letters and other reports.

There are no significant internal control weaknesses reported for the period.

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments. The senior management team and the Audit and Risk Committees also receive regular reports, which include recommendations for improvement. The Audit and Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board of Trustees agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its July 2021 meeting, the Board of Trustees, carried out the annual assessment for the year ended 31 August 2021 by considering documentation from the senior management team, and taking account of events since 31 August 2020.

Based on above and reports by the Chief Executive Officer, the Board of Trustees is of the opinion that the organisation has an adequate and effective framework for governance, risk management and control to manage the achievements of the organisation's objectives for the year ended 31 August 2021 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Regularity, propriety, and compliance

The organisation has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the organisation, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the organisations financial regulations. As part of our consideration we have had due regard to our financial regulations. We confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Statement of Corporate Governance and Internal Control Year to 31 August 2021

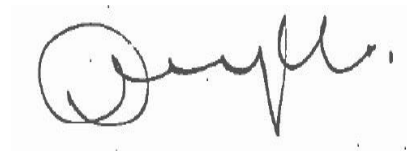
Going Concern

Details on Board's going concern assessment are set out on pages 31 and 32.

Approved by order of the Board of Trustees and signed on its behalf by:



Chair
Professor Ronald Parker



Chief Executive Officer
Sheila Owen-Jones

23 November 2021

Independent auditor's report to the members of The Metanoia Institute

Opinion

We have audited the financial statements of The Metanoia Institute (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure, changes in reserves and cash flows for the year then ended;
- ◆ have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006;
- ◆ where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- ◆ where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- ◆ meet the requirements of the Office for Student's Accounts Direction.

We have nothing to report in respect of the following matter in relation to which the OfS Accounts Direction requires us to report to you if, in our opinion:

- ◆ the charitable company's grant and fee income, as disclosed in note 1 to these Financial Statements has been materially misstated.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees 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.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the

United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- used data analytics to investigate the rationale behind any significant or unusual transactions;
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and
- Performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report Year to 31 August 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore, Senior Statutory Auditor
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 December 2021

Statement of financial activities (including income and expenditure statement Year to 31 August 2021
(which includes statement of changes in reserves)

	Restricted 2021 £	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Income from:				
Investments	—	6,274	6,274	14,520
Other	—	—	—	360
Charitable Activities				
.-From Educational Services	17,134	5,150,924	5,168,058	4,203,774
. From Clinical Services	87,493	160,449	247,942	243,176
Total Income	1 104,627	5,317,647	5,422,274	4,461,830
Expenditure				
Charitable Activities				
. Educational Services	17,134	4,269,509	4,286,643	3,836,677
. Clinical Services	87,493	493,504	580,997	476,001
Total Expenditure	5 104,627	4,763,013	4,867,640	4,312,678
Statement of changes in reserves:				
Net income and net movement for the year	2 —	554,634	554,634	149,152
Reconciliation in Funds				
Total Funds brought forward 1 September	—	4,291,781	4,291,781	4,142,629
Total Funds carried forward 31 August	—	4,846,415	4,846,415	4,291,781

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 34 to 41 form part of these financial statements.

Balance sheet 31 August 2021

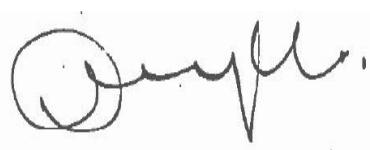
	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	6		2,329,763		2,384,412
Current assets					
Debtors	7	196,161		262,247	
Cash at bank and in hand		2,413,708		1,582,807	
Short-term deposits		1,526,582		1,520,489	
		4,136,451		3,365,543	
Creditors: amounts falling due within one year	8	(1,619,799)		(1,458,173)	
Net current assets			2,516,652		1,907,369
Total net assets			4,846,415		4,291,781
The funds of the charity:					
Unrestricted funds:					
. Fixed assets fund	11		2,329,763		2,384,412
. Designated funds	11		158,102		158,102
. General funds	11		2,358,550		1,749,267
Restricted funds	11		—		—
			4,846,415		4,291,781

Approved by the Trustees and authorised and signed on their behalf by:



Chair of Trustees

Professor Richard Parker



Accountable Officer

Sheila Owen-Jones

Date: 23 November 2021

The notes on pages 34 to 41 form part of these financial statements

The Metanoia Institute

Company Registration Number 02918520 (England and Wales)

Statement of cash flows 31 August 2021

	Notes	2021 £	2020 £
Cash inflow from operating activities:			
Net cash provided by operating activities	A	837,128	147,350
Cash outflow from investing activities:			
Interest from investments		6,274	14,520
Purchase of tangible fixed assets		(6,408)	(13,666)
Net cash (used in) provided by investing activities		(134)	854
Change in cash and cash equivalents in the year		836,994	148,204
Cash and cash equivalents at 1 September	B	3,103,296	2,955,092
Cash and cash equivalents at 31 August	B	3,940,290	3,103,296

Notes to the statement of cash flows for the year to 31 August:

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	554,634	149,152
Adjustments for:		
Depreciation charge	61,057	87,267
Interest from investments	(6,274)	(14,520)
Decrease (increase) in debtors	66,085	(81,973)
Increase in creditors	161,626	7,424
Net cash provided by operating activities	837,128	147,350

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,413,708	1,582,807
Short-term deposits	1,526,582	1,520,489
Total cash and cash equivalents	3,940,290	3,103,296

The Institute held no net debt as at 31 August 2021 or 31 August 2020.

Basis of accounting

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 August 2021 and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Office for Students' latest Accounts Direction.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ the allocation of support costs to charitable activities.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the Institute's activities, beneficiaries, funders, suppliers and the wider economy.'

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and in making their assessment have given consideration to the effects of the pandemic on the organisation and its operations.'

Assessment of going concern (continued)

The Board 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 Board are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The more significant areas of judgement that affect items in the financial statements are detailed above.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such financial statements and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year would be disclosed as short term deposits. Cash placed on deposit for more than one year would be disclosed as a fixed asset investment.

Creditors

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments

The organisation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are used for specific purposes as agreed by the Trustees. Expenditure which meets these criteria is charged to the funds.

Restricted funds are used for specific purposes as stated by the Awarding Body. Expenditure which meet these criteria is charged to the fund.

Income

Income includes course fees, clinic charges, grants and investment income. Income is recognised in the year in which the charity is entitled to receipt, it is probable the charity will receive the income and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled or where the funder has specified that the income is to be expended in a future accounting period.

Expenditure

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT.

Direct costs comprise direct costs incurred in carrying out the charitable activities of the organisation including direct staff costs and directly attributable running costs.

Expenditure which cannot be directly attributed to the relevant department is apportioned on the best estimates of each department's usage. Support costs are apportioned on the basis of time spent. Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the statement of financial activities.

Governance costs are costs associated with governing the charity including strategic planning and compliance with constitutional and statutory requirements. They are included in charitable activities within support costs and allocated to charitable activities on the basis of time spent.

Fixed assets

Fixed assets costing £2,000 or more are capitalised at cost.

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives using the following rates:

♦ Freehold land	Not depreciated
♦ Freehold buildings	2% to 10% straight line
♦ Furniture, fixture and equipment	10% to 33.3% straight line

Operating leases

Rentals applicable to operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1 Grant and fee income

	2021 £	2020 £
Grant income from the OfS*	54,057	34,647
Grant income from other bodies*	116,944	129,220
Fee income for taught awards	2,656,544	2,468,997
Fee income from non-qualifying courses	1,934,933	1,467,505
Clinic Client Income	130,998	113,957
School Based Research Income	476,538	194,830
Other Income	52,260	52,674
Total grant and fee income	5,422,274	4,461,830

2 Net movement in funds

The net movement in funds is stated after charging:

	2021 £	2020 £
Depreciation	61,057	87,266
Auditor's remuneration – statutory audit	12,000	11,880
Auditor's remuneration – other services	—	2,150
Operating lease costs	10,464	10,464

3 Staff costs and remuneration of key management personnel

Full time equivalent employees in the year:

	2021 No.	2020 No.
Educational services	39	21
Clinical services	10	9
Administration and support	29	27
	78	57

Actual employees in the year:

	2021 No.	2020 No.
Educational services	117	94
Clinical services	12	11
Administration and support	34	32
	163	137

3 Staff costs and remuneration of key management personnel (continued)

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	2,717,611	1,976,203
Social security costs	278,611	252,328
Pension costs	50,193	35,853
	3,046,415	2,264,348
Restructuring Costs	—	39,092
Trainers' fees	708,800	941,366
	3,755,215	3,244,842

There were no Staff restructuring costs in the year (2020: £39,092 relating to one person).

The Institute has given regard to the "Guidance on decisions taken about severance payments in HEI's" published by the Committee of University Chairs when determining severance pay.

Employees earning greater than £60,000 during the year on an annualised basis:

	2021 No.	2020 No.
£60,000 - £65,000	3	—
£75,001 - £80,000	—	1
£80,001 - £85,000	1	2
£85,001 - £90,000	1	—
£100,000 - £105,000	—	1
£110,001 - £115,000	1	—
£125,001 - £130,000	—	1
£130,001 - £135,000	1	1
	7	6

Pension contributions in respect of these employees were £6,874 (2020: £10,052).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the Trustees, the Chief Executive Officer (CEO), the Deputy Chief Executive Officer, two Faculty Heads, a third to be appointed (2020: four), the Director of Finance and the Head of Policy, Planning and Compliance. The total remuneration (including taxable benefits and employers' pension contributions) of the key management personnel for the year was £555,812 (2020: £777,800). The reduction is due to four Faculty Heads being employed in 2020 and only two employed in 2021.

The Academic Director for Faculty one is not part of the Senior Management Team. Their salary details have not been included within the key management personnel details, but they have been included within the number of Employees earning greater than £60,000 during the year.

3 Staff costs and remuneration of key management personnel (continued)

Chief Executive Officer Remuneration

	2021 £	2020 £
Basic salary	131,250	131,682
Bonus	500	500
Pension contribution	—	—
	131,750	132,182

The Chief Executive Officer's remuneration shown in the year was recommended by the Staff and Remuneration Sub-Committee (SARSC). SARSC determines the salaries and conditions of service of all senior staff, including the Chief Executive Officer and the Executive Team. SARSC forwards their deliberations to the Finance, Audit and Risk Committee (FARSC) who assessed the economic and financial good standing of the Institute, projected future student growth, and academic success. FARSC presents their recommendations to the full Board of Trustees for approval.

Chief Executive's basic salary as a multiple of the median of all staff	2.19 (2020: 2.19)
Chief Executive's total remuneration as a multiple of the median of all staff	2.19 (2020: 2.19)

Trustees were not paid any remuneration, only expenses were reimbursed (see note 4 for details).

4 Trustees' remuneration and reimbursed expenses

No trustee received reimbursement of travel expenses in the year (2020: one received £421). None received remuneration for their services or benefits in either the current or prior year.

The Institute paid £1,892 (2020: £1,726) in relation to trustee indemnity insurance during the year.

5 Analysis of total resources expended

	Staff costs (note 3) £	Other £	Depreciation £	Total 2021 £
Charitable expenditure				
Educational services	3,305,578	920,008	61,057	4,286,643
Clinical services	449,637	131,360	—	580,997
	3,755,215	1,051,368	61,057	4,867,640

5 Analysis of total resources expended (continued)

	Staff costs (note 3) £	Other £	Depreciation £	Total 2020 £
Charitable expenditure				
Educational services	2,911,138	838,271	87,267	3,836,676
Clinical services	333,704	142,298	—	476,002
	<u>3,244,842</u>	<u>980,569</u>	<u>87,267</u>	<u>4,312,678</u>

5a

	Direct costs £	Support costs (note 5b) £	Total 2021 £
Charitable expenditure			
Educational services	3,606,562	680,081	4,286,643
Clinical services	354,303	226,694	580,997
	<u>3,960,865</u>	<u>906,775</u>	<u>4,867,640</u>

	Direct costs £	Support costs (note 5b) £	Total 2020 £
Charitable expenditure			
Educational services	3,194,879	641,797	3,836,676
Clinical services	263,121	212,881	476,002
	<u>3,458,000</u>	<u>854,678</u>	<u>4,312,678</u>

5b Analysis of support costs

	Total 2021 £	Total 2020 £
Support services		
Rent and rates	17,534	16,999
Heat, light and power	16,512	16,818
Travel and expenses	2,053	10,062
Printing and stationery	40,460	33,095
Property maintenance	48,470	52,386
Other staff costs	13,386	20,261
Validated program costs	380,920	313,298
Library books and journals	31,707	32,685
Computer software	96,524	89,638
Consultancy fees	12,201	19,827
Legal and professional fees	51,031	48,558
QAA registrations	45,027	30,419
General expenses	150,950	170,632
	<u>906,775</u>	<u>854,678</u>

6 Tangible fixed assets

	Freehold land and buildings £	Furniture, fixtures and equipment £	Total 2020 £
Cost			
At 1 September 2020	2,919,369	193,599	3,112,968
Additions	—	6,408	6,408
Disposals	—	(6,975)	(6,975)
At 31 August 2021	<u>2,919,369</u>	<u>193,032</u>	<u>3,112,401</u>
Accumulated depreciation			
At 1 September 2020	625,020	103,536	728,556
Charge for the year	37,061	23,996	61,057
Disposals	—	(6,975)	(6,975)
At 31 August 2021	<u>662,081</u>	<u>120,557</u>	<u>782,638</u>
Net book values			
At 31 August 2021	<u>2,257,288</u>	<u>72,475</u>	<u>2,329,763</u>
At 31 August 2020	<u>2,294,349</u>	<u>90,063</u>	<u>2,384,412</u>

7 Debtors

	2021 £	2020 £
Fee debtors	78,874	167,651
Prepayments and accrued income	117,287	94,596
	<u>196,161</u>	<u>262,247</u>

There were £4,985 fee debtors which relate to courses straddling two academic years (2020: £nil).

8 Creditors: Amounts falling due within one year

	2021 £	2020 £
Deferred income	1,416,749	1,255,733
Trade creditors	23,877	28,956
Other taxes and social security costs	87,295	107,363
Accruals	91,878	66,121
	<u>1,619,799</u>	<u>1,458,173</u>

Deferred income relates to fee and training income received in advance for the following academic year, as well as restricted funding intended for carrying out specific research in the following financial year. The movement on the deferred income balance was as follows:

	2021 £	2020 £
Balance as at 1 September	1,255,733	1,112,008
Amount released to income	(1,255,733)	(1,112,008)
Amount deferred in year	1,416,749	1,255,733
Balance as at 31 August	<u>1,416,749</u>	<u>1,255,733</u>

9 Members' liability

The Metanoia Institute is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability is limited to £1 per member.

10 Operating leases

The charity had total future minimum commitments in respect to non-cancellable operating leases at 31 August as follows:

Equipment	2021 £	2020 £
Within one year	10,464	10,464
In two to five years	10,464	20,928
	20,928	31,392

11 Movement in funds

	At 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Total 2021 £
Unrestricted					
General	1,749,267	5,260,279	(4,644,588)	(6,408)	2,358,550
Designated					
. Bursary	—	57,368	(57,368)	—	—
. Redevelopment fund	158,102	—	—	—	158,102
. Fixed assets fund	2,384,412	—	(61,057)	6,408	2,329,763
Total Unrestricted	4,291,781	5,317,647	(4,763,013))	—	4,846,415
Restricted					
AMORAY	—	35,220	(35,220)	—	—
HEROINES	—	9,966	(9,966)	—	—
TARCT	—	33,496	(33,496)	—	—
UKPC Research Award	—	8,811	(8,811)	—	—
OfS Hardship Funds	—	4,523	(4,523)	—	—
OfS Capital Grant	—	12,611	(12,611)	—	—
Total Restricted	—	104,627	(104,627)	—	—
	4,291,781	5,422,274	(4,867,640)	—	4,846,415

Designated funds relate to:

- ◆ The bursary fund represents funds set aside for the purpose of providing bursaries.
- ◆ The redevelopment fund represents a legacy by Nina Joy Miller and are funds set aside for future academic and structural redevelopment of the Institute.
- ◆ The fixed asset fund represents the net book value of the Institute's tangible fixed assets.

11 Movement in funds (continued)

Restricted funds relate to:

- ♦ Assessment of Mental Health of Refugees and Asylum Seekers by Youth Workers (AMORAY) is a grant awarded by Erasmus +. We work in partnership with four organisations.
- ♦ HEROINES is a grant awarded by Erasmus +. Its focus is the empowerment of women with mental illness living in rural areas through writing therapy.
- ♦ European Association for Transactional Analysis (TARCT) is a grant awarded for Reviewing and validating the scientific foundations of Transactional Analysis practice and research.
- ♦ UKPC Research Award grant was awarded to research what support therapists need to do research and a review of studies into how therapists experience research.
- ♦ OfS Hardship funds were funds allocated by the Office for Students due to COVID 19. The funds could be allocated to students for varying reasons. We allocated funds for internet connection due to teaching on-line. OfS Capital funds were funds allocated by the Officer for Students for capital expenditure.

	At 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Total 2020 £
Unrestricted					
General	1,526,514	4,333,140	(4,096,721)	(13,666)	1,749,267
Designated					
. Bursary	—	29,138	(29,138)	—	—
. Redevelopment fund	158,102	—	—	—	158,102
. Fixed assets fund	2,458,013	—	(87,267)	13,666	2,384,412
Total Unrestricted	4,142,629	4,362,278	(4,213,126)	—	4,291,781
Restricted					
AMORAY	—	71,440	(71,440)	—	—
HEROINES	—	6,769	(6,769)	—	—
TARCT	—	21,343	(21,343)	—	—
Total Restricted	—	99,552	(99,552)	—	—
	4,142,629	4,461,830	(4,312,678)	—	4,291,781

12 Related Party Transactions

Other than those disclosed in note 4 to the accounts the Institute did not conduct any related party transactions in the year.

13 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	—	2,329,763	—	2,329,763
Current assets	3,928,802	158,102	49,547	4,136,451
Creditors: amounts falling due within one year	(1,570,252)	—	(49,547)	(1,619,799)
Total net assets	2,358,550	2,487,865	—	4,846,415
	General fund £	Designated funds £	Restricted funds £	Total 2020 £
<i>Fund balances at 31 August 2020 are represented by:</i>				
<i>Tangible fixed assets</i>	—	2,384,412	—	2,384,412
<i>Current assets</i>	3,207,441	158,102	—	3,365,543
<i>Creditors: amounts falling due within one year</i>	(1,458,173)	—	—	(1,458,173)
<i>Total net assets</i>	<i>1,749,268</i>	<i>2,542,513</i>	<i>—</i>	<i>4,291,781</i>

Detailed expenditure account 31 August 2021

This page does not form part of the financial statements

	2021 £	2021 £	2020 £	2020 £
Expenditure				
Educational services:				
Salaries and wages	2,314,500		1,712,989	
Trainers' fees	685,501		932,301	
National Insurance	240,669		226,611	
Pension costs	42,609		31,371	
Staff recruitment and training	17,950		22,442	
External examiners fees	68,629		34,943	
Bursaries	57,368		29,137	
Validation fees	377,947		313,298	
Conference and courses	—		500	
Premises and maintenance	77,651		81,090	
Printing and stationery	43,401		68,211	
Depreciation	61,057		87,267	
Travel and subsistence	5,631		12,046	
Consultancy	12,201		19,827	
Library books and journals	31,707		40,669	
Rent and room hire	503		7,695	
Computer software	96,524		93,316	
Sundry	13,569		9,477	
Catering	682		5,008	
Legal and professional	26,548		20,451	
QAA/OfS registrations	45,026		30,418	
Advertising and marketing	3,699		11,267	
Committee costs	15,967		2,871	
Indemnity insurance	1,893		1,727	
Bad debts written off	1,935		3,156	
Auditor's remuneration	12,000		11,880	
Bank charges	31,496		26,709	
	4,286,643		3,836,677	
Clinical services:				
Salaries and wages	403,111		302,306	
Trainers' fees	23,300		9,065	
National Insurance	37,942		25,717	
Pension costs	8,584		5,681	
Research partner fees	28,500		58,467	
Establishment costs	40,409		39,067	
Compliance (DBS) checks	7,280		4,093	
Sundry	29		139	
Computer support costs	31,551		29,218	
Conferences and courses	291		1,018	
Travel and subsistence	—		1,230	
		580,997		476,001
Total resources expended		4,867,640		4,312,678

**The
Metanoia
Institute**

**Annual Report and Financial
Statements**

31 August 2021

Charity Registration Number
1050175

Company Registration Number
02918520 (England and Wales)

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Reference and administrative details Year to 31 August 2021

Trustees	Professor Ronald Parker (Chairman) Jeffrey White (Vice Chairman) Jeremy Arnott Dotun Olaleye Kelvin Jones Helen Coleman The trustees are appointed by resolution for a term of up to four years and thereafter for three year terms for a maximum of four consecutive terms.
Company secretary	Najaba Riaz
Chief Executive Officer	Professor Sheila Owen-Jones
Deputy Chief Executive Officer	Professor Carrie Weston
Director of Finance	Anita Faherty
Registered office	13 North Common Road Ealing London W5 2QB
Additional training premises	13 Gunnersbury Avenue Ealing London W5 3XD

Reference and administrative details Year to 31 August 2021

Faculty Heads

Faculty 1: Faculty of Psychotherapy and Counselling	Professor Carrie Weston (Acting Head)
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Faculty 2: Post-Qualification and Professional Doctorates, Research Strategy and Innovation	Dr Biljana van Rijn
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Faculty 3: Faculty of Applied Social and Organisational Sciences Research Strategy and Innovation	Dr Peter Pearce
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Company registration number	02918520
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Charity registration number	1050175
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Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
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Bankers	HSBC Bank plc 46 The Broadway London W5 5JZ
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Solicitors	Bates Wells & Braithwaite LLP 2-6 Cannon Street London EC4M 6YH
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and Administration

The Metanoia Institute ("the Institute") is a charitable company limited by guarantee and was established on 8 April 1994. It is governed by a Memorandum and Articles of Association.

Metanoia Institute's registered charity number is 1050175 and the company registered number is 02918520.

The Trustees, who are also directors of the Metanoia Institute for the purposes of the Companies Act, present their annual report and audited financial statements for the year ended 31 August 2021. These have been prepared under the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later, and comply with the latest Office for Students' Accounts Direction.

Governance Structure

Metanoia Institute's governance arrangements have been developed to ensure compliance and best practice is maintained across the organisation. It is recognised that good governance is essential to the maintenance of academic standards, the quality of the student learning experience and effective organisational management.

The Board of Trustees is the senior body acting with legal and strategic accountability for Metanoia Institute. The various authorities and actions pertaining to the Board of Trustees are detailed in two formal documents: the organisation's Articles of Government and Articles of Association. These include: responsibility for corporate governance, corporate performance monitoring, financial stewardship and the on-going management, appraisal and support of the Chief Executive Officer.

The work of the Board of Trustees is supported by three specialist sub-committees: the Finance, Audit and Risk, and Staffing and Remuneration (SARSC). The Audit Committee was formed in May 2020, a Chair is due to be appointed. The purpose of the Finance Committee and the Audit and Risk Committee is to assist the Board of Trustees in fulfilling their statutory financial responsibilities and in discharging their duties diligently and efficiently. The purpose of the SARSC is to oversee and support policies and practice in relation to Human Resources functions and to make proposals to the Board of Trustees for implementation.

At the functional level, there is a clear division of responsibility between the Executive Committee (which oversees all matters pertaining to the strategic, financial and operational management of the Institute) and Academic Board (which oversees all matters pertaining to programmes, academic and student lifecycle management as well as quality assurance and enhancement).

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governance Structure (continued)

The **Executive Committee** comprises the Chief Executive Officer, Deputy Chief Executive Officer, the three Faculty Heads with the Director of Finance, the Head of Policy, Planning and Compliance (with the Registrar, Facilities Manager and Human Resources Manager), as well as other specialist staff, in attendance on an as-needs basis). Its core purposes are to enact the decisions of the Board of Trustees, to manage the Institute's day-to-day operations and to be accountable for the financial management of the Institute. Furthermore, the Executive ensures that an appropriate level of consideration is given to strategic decisions, that there is accountability for those decisions and that effective leadership of, and communication with, staff across the Institute is achieved. The key responsibilities of the Executive are to deliver the strategic and operational plans of the Institute as well as to agree policies and effect implementation to support that delivery.

The **Academic Board** comprises the Chief Executive Officer, Deputy Chief Executive Officer, the three Faculty Heads, the Director of Finance, the Head of Policy, Planning and Compliance and Registrar as well as academic staff, support staff and student representatives. Its core purpose is to act as Metanoia Institute's principal academic authority. The Academic Board guides the Institute's academic development, the setting and maintenance of threshold academic standards and the quality of the student experience, oversees quality assurance and enhancement and determines and authorises curriculum content. The Academic Board is also responsible for the development of the Strategic Plan as regards portfolio, research, learning, teaching and assessment and for overseeing the validation and review of programmes, the admission of students and all areas pertaining to academic delivery and support.

To enable the Executive Committee and Academic Board to carry out these manifold tasks, **eight sub-committees** (Clinical Ethics; Equality and Diversity; Quality and Standards; Learning, Teaching and Enhancement; Joint Staff Student; Research; Research Ethics, Equality, Diversity and Inclusion) have been established and are operating in a deliberative context. Each sub-committee is chaired by a Faculty Head or other senior manager and comprises a broad membership of staff and student representatives that encourages robust and effective ideas-generation and decision-making throughout the Institute.

Committee servicing is jointly managed by the Professional Bodies and Internal Academic Support Manager and Academic Quality Manager, with the former responsible for diarising and resourcing committee meetings and overseeing the performance of the secretariat, and the latter responsible for brokering the relationships that exist between Metanoia Institute's various committees and sub-committees and for monitoring actions required by the committees.

Vision

Metanoia Institute's Vision 2021 is to invest in the life of individuals, organisations and communities through excellence in training, practice and research in the psychological therapies.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Mission

Metanoia Institute's Mission is fourfold:

- ◆ to offer high quality humanistic and integrative programmes of study in the professional fields of counselling, psychotherapy, counselling psychology and supervision through the provision of a wide range of opportunities;
- ◆ to support research in the development of professional knowledge;
- ◆ to work closely with relevant professional bodies as well as our partners in the university sector;
- ◆ to provide lower cost counselling and psychotherapy services for the benefit of the general public.

Metanoia Institute's Strategic Aims support the pursuit of the Vision and Mission as follows:

- ◆ to offer teaching, training and lifelong learning of the highest quality;
- ◆ to provide students with a theoretical and practical framework on which to base a professional and ethical practice in their chosen area of work;
- ◆ to enhance the Institute's reputation for excellence in practice-based research and scholarship;
- ◆ to offer practitioner training within a supportive and inclusive environment;
- ◆ to provide accessible and effective educational and clinical services to the wider community;
- ◆ to develop a research active culture within each Faculty.

Strategic Aims

Metanoia Institute's decision to work towards Degree Awarding Powers (DAPs) is a collective reflection of the aspirations of our Board of Trustees, Executive, Administration, Support Staff and the Student Body. The strategic aim of the organisation is to consolidate the Institute's position in Higher Education by attaining DAPs, potentially leading to University Title.

Reasons for Seeking Degree Awarding Powers

Metanoia Institute is a mature institution, having been engaged in the development, delivery and assessment of higher education programmes since 1984.

Four of the Institute's programmes (MSc Gestalt Psychotherapy, MSc Integrative Psychotherapy, MSc Transactional Analysis Psychotherapy and BA (Hons) Person-Centred Counselling) having been in continuous delivery for more than twenty years, and the DPsych is currently recruiting its twenty first cohort.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Reasons for Seeking Degree Awarding Powers (continued)

Metanoia Institute is confident that it has the capacity to act as an autonomous academic community, to determine the awards that it offers, to set and maintain the academic standards of those awards and to assure and enhance the quality of the student experience in delivering those awards.

Management Structure

Metanoia Institute's Chief Executive Officer is appointed by, and responsible to the Board of Trustees for implementing the decisions of the Board of Trustees, for the day-to-day executive direction and management of the Institute and for the leadership of all staff.

The Chief Executive Officer line manages the Deputy Chief Executive Officer, the two Faculty Heads, Director of Finance, the Head of Policy, Planning and Compliance (the Executive Team) as well as the Facilities Manager and the Professional Bodies and Internal Academic Manager. With the addition of the Human Resources Manager, this group comprises the Institute's Senior Management Team.

Each Faculty Head has operational management responsibility for their Faculty, a specific portion of the academic portfolio, as well as line management responsibility, for a portion of the complement of academic staff, administration and support staff. Details of staff numbers are provided in note 3 of these financial statements.

Academic Provision

Metanoia Institute's provision is grouped into three distinct faculties:

- ◆ The Faculty of Psychotherapy & Counselling;
- ◆ The Faculty of Post-Qualification & Professional Doctorates and Research Strategy and Innovation.
- ◆ The Faculty of Applied Social and Organisational Sciences.

The **Faculty of Psychotherapy and Counselling** oversees the work of staff and students involved in eight 'core' programmes:

- ◆ Bachelor of Arts (Honours) Person-Centred Counselling;
- ◆ Bachelor of Science (Honours) Humanistic Counselling;
- ◆ Bachelor of Science (Honours) Reflective Therapeutic Practice;
- ◆ Master of Science Contemporary Person-Centred Psychotherapy and Applications;
- ◆ Master of Science Gestalt Psychotherapy;
- ◆ Master of Science Humanistic Psychotherapy;
- ◆ Master of Science Integrative Psychotherapy;
- ◆ Master of Science Transactional Analysis Psychotherapy.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Academic Provision (continued)

The **Faculty of Post-Qualification & Professional Doctorates** oversees the work of staff and students involved in the following four programmes as well as other Doctoral developments:

- ◆ The Doctorate in Psychotherapy by Professional Studies;
- ◆ The Doctorate in Psychotherapy by Public Works;
- ◆ The Doctorate in Counselling Psychology and Psychotherapy by Professional Studies;
- ◆ Doctor of Philosophy.

Research Strategy and Innovation oversees the work of staff and students involved in research across the Institute and with external partners in the following ways:

- ◆ Research Centre: faculty-wide research activities and events;
- ◆ Research projects with other universities and research partners;
- ◆ Research Clinic and the development of research practice;
- ◆ The Ealing Borough Consortium;
- ◆ Maximise Research and Research Income.

The **Faculty of Applied Social & Organisational Sciences** oversees the work of staff and students involved in the following programmes and counselling services:

- ◆ Master of Arts Therapeutic Fostering and Adoption;
- ◆ Master of Science Creative Writing for Therapeutic Purposes;
- ◆ Post Qualification Conversion Diploma from Adult to Adolescent and School Counselling;
- ◆ Post Qualification, IAPT licensing, Practitioner and Supervisor Training Counselling for Depression;
- ◆ Ethos Schools Based Humanistic Counselling Randomised Controlled Trial;
- ◆ The Metanoia Schools Counselling Service.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Academic Provision (continued)

In addition to the higher education provision listed above, Metanoia Institute continues to offer professional clinical diploma routes for those students who wish to register as practitioners but who do not seek an academic qualification. These programmes are taught alongside the award-bearing programmes and overseen by the Faculty of Applied Psychotherapy and Counselling:

- ◆ Diploma in Gestalt Psychotherapy;
- ◆ Diploma in Humanistic Counselling;
- ◆ Diploma in Humanistic Psychotherapy;
- ◆ Diploma in Integrative Psychotherapy;
- ◆ Diploma in Person-Centred Counselling;
- ◆ Diploma in Person-Centred Psychotherapy;
- ◆ Diploma in Transactional Analysis Counselling;
- ◆ Diploma in Transactional Analysis Psychotherapy.

Metanoia Institute offers a range of continuing professional development (CPD) courses (ranging from evening workshops to multi-day professional certificates) that are open to students, staff, alumni and independent practitioners.

The student population

Metanoia Institute's student population stood at 1203 in 2020/21 of whom 170 are enrolled on Doctoral programmes, 374 on taught post-graduate programmes, 156 on taught undergraduate programmes and 503 on professional programmes.

Metanoia Institute recruits both nationally and internationally, with 70% of the Institute's current students coming from the UK, 15% from within the EU and 6% from outside the EU. Within the UK, 30% came from London, 10% from the South-East and 8% from the remainder of the UK. Approximately 3% remain unknowns and 45% of UK domiciled students remain non-categorised, but we are working on improving our data capture.

Metanoia Institute's student body is both atypical and diverse, with a gender ratio of 78% female to 21% male (704:190) and an average age of 44 across all programmes. 12% of the Institute's students identify as belonging to the Lesbian, Gay, Bisexual, Transsexual Queer or Intersex (LGBTQI) community, 18% identify as coming from a black or minority ethnicity (BME) background and 10% have disclosed a specific disability.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Quality monitoring

Quality monitoring is undertaken via the following:

- ◆ Assessment Boards;
- ◆ Board of Studies;
- ◆ University Validation Bodies (MDX);
- ◆ Accreditation Boards (BPS, BACP, BAC, EAP, HCPC, UKCP);
- ◆ Quality Assurance Agency (QAA);
- ◆ University Annual Monitoring Reports;
- ◆ External Examiner Reports.

How our activities deliver public benefit

The Trustees have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission on Public Benefit.

The Trustees and senior management team took account of the public benefit requirements whilst setting the strategic plan. The Trustees and senior management team believe that all of Metanoia Institute's objects are linked to the provision of public benefit.

Examples of public benefit with regard to our educational services include:

- ◆ The provision of a range of training courses in psychological therapy;
- ◆ The provision of a range of optional academic qualifications for students undertaking a first training in psychological therapy from BA (Hons) to Doctoral level;
- ◆ The provision of additional academic qualifications to practitioners qualified in psychological therapy;
- ◆ The provision of a range of workshops suitable for continuing professional development needs;
- ◆ The provision of increased public learning and knowledge about psychological therapy, as a result of research undertaken within the Metanoia Institute; and
- ◆ Counselling within Schools.

A key feature of the Institute's public benefit with regard to educational services is the provision of bursaries. The Trustees believe that students' learning is enhanced in a diverse community and Metanoia students come from a range of ethnic and economic backgrounds.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

How our activities deliver public benefit (continued)

Examples of public benefit with regard to clinical services include:

- ◆ The Metanoia Counselling and Psychotherapy Service (MCPS) provides accessible services to the local community. The growth of the Research Clinic within the Metanoia Counselling and Psychotherapy Service demonstrates the Institute's commitment to the provision of effective psychological therapies. Clients, together with their counsellor/psychotherapist, will complete a number of psychological testing measures on a regular basis which will then be analysed. Examples of measures to be used include Beck's depression inventory. Results of the research will be used to ensure the effectiveness of training and therefore services.
- ◆ The provision of a free assessment to ascertain whether a potential client is suitable for counselling/psychotherapy within MCPS. Previously clients were assessed by telephone, but since the introduction of face-to-face assessment sessions, greater numbers of clients have applied for assessment sessions.
- ◆ The provision of lower cost counselling and psychotherapy services to the general public. Fees are charged on a sliding scale dependent on the client's ability to pay. The minimum fee is £5 per session which is typically 10% of the fee charged by therapists in private practise.
- ◆ The provision of counselling for a period of up to six months. Access to counselling via the local Primary Care Trust is usually restricted to four, six or twelve sessions.
- ◆ The provision of a range of different approaches to counselling and psychotherapy to offer clients a choice of a preferred mode.

Achievements and performance

The principal activity is the provision of training courses in counselling, psychotherapy and counselling psychology and other associated therapies. The Institute also runs a lower cost clinic service. There has been no change in the policies adopted by the Institute to achieve its objectives.

The training is provided using the services, on a part time basis, of qualified trainers in counselling, psychotherapy and counselling psychology. Many students are qualified professionals in the healthcare field. The courses are run on a part-time basis, normally at weekends and lead to a qualification after three or more years. New funding for research via counselling in schools activity also contributed to an increase in income.

Metanoia Institute continued to invest in its rolling programme of repairs and replacements, ensuring that student facilities are maintained to the highest standards.

Premises

Metanoia Institute fully owns its two properties at North Common Road and Gunnersbury Avenue, which were recently valued at approximately £6,000,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising

The Institute does not solicit donations and is not registered with the Funding Regulator. If a donation is received from an individual, the Institute applies GDPR rules. There have been no complaints received in the year in respect of fundraising.

Trustees Report COVID-19 Response

Activities affected by virus control measures

The Institute responded pro-actively to the control measures required for COVID-19 with the following measures put in place:

- ◆ Knowing that we would not be able to teach face to face, we moved our teaching to live on-line training.
- ◆ All our employees worked from home. We provided those that required equipment with the necessary technology.
- ◆ All scheduled meetings took place on-line. These included internal Board of Trustees, Committee, Executive and Team meetings. Meetings also took place with external organisations on-line.

Both staff and students responded well to our new way of working.

We continued to invest in technology for our staff to work from home, but this has been at a cost of £5,385 (2020: £8,202) All off the technology purchased will be returned to the organisation when staff can return to work.

FUTURE PLANS

Similar to other higher education institutions, we are faced with the complex task of ensuring that our students receive the best possible training experience, whilst taking all appropriate measures to prevent the continued transmission of the COVID-19 virus in the community. We will be returning to face-to-face teaching from September 2021, as is expected of all Universities. However, we will still have plans in place for a dual delivery approach should they be required.

A Metanoia Institute 'dual delivery' model, guided by two equal principles:

- ◆ Safety and wellbeing of the entire Metanoia Institute community
- ◆ Provision of learning and teaching excellence on all programmes

The dual delivery approach will take a 'best of both worlds' position. Some learning opportunities will be offered to all students in a face-to-face format, with a spine of online teaching taking place via Zoom and through enhanced online activities. The dual delivery approach allows for flexibility in terms of respecting student choice, plus the potential for agility in the light of changing circumstances.

FUTURE PLANS (continued)

It will provide sufficient face-to-face teaching opportunities to ensure the continuity of the fundamentals of Metanoia Institute training; those being teaching which fosters relational learning and requires interpersonal, experiential opportunities. However, high-quality teaching and learning will also be offered online, producing a blended offer.

Operational arrangements:

As we are unable to comply fully with social distancing measures at our own premises, should they be reintroduced we have rented space at Middlesex University. This will allow us to comply with social distance measures when providing face to face learning.

To function within the principle of safety and wellbeing in our dual delivery model, the following operational measures will apply:

- ◆ When on premises, full safety precautions and resources will be mandatory (hand sanitiser, social distancing, self-reporting of symptoms, etc).
- ◆ All staff and students will need to provide personal contact details to enable 'track-and-trace' to operate.
- ◆ Students and staff should only attend on premises if they are feeling well and all those in their immediate household are well.
- ◆ Any person attending a teaching event on premises must leave immediately if they experience any symptoms of being unwell or related to COVID-19 (raised temperature, sore throat, cough, loss of sense of taste/smell).
- ◆ Students must inform their tutor / Academic Co-ordinator of their intention to either attend in person or study remotely, ideally no less than 24 hours prior to the timetabled teaching event.

These operational arrangements demonstrate to students and staff that we are fully guided by the principle of safety and wellbeing.

In the event of any local or national lock down we will revert to on-line teaching and students and staff have been made aware of this.

Phased Return to Work

For the new academic year we have implemented a phased return to work. Rotas, and flexible hours including staggered start and end times have been introduced. This will allow us to test health and safety measures in practice and ensure we can work with larger numbers before encouraging more of our workforce back. We would return to home working should restrictions be reintroduced.

FINANCIAL REVIEW

Financial performance

The incoming resources for the year amounted to £5,422,274, (2020: £4,461,830). This represents an increase of £960,443 on the previous year. We received a higher contract amount from Health Education England. In addition, we delivered significantly more Counselling for Depression provision than in the prior year.

Expenditure for the year amounted to £4,867,640 (2020: £4,312,678), an increase of £554,962. This increase in expenditure was mainly attributable to increased investment in professional staff.

As a result of the above, net income for the year was £554,634 (2020: £149,152).

Reserves policy and going concern

The Trustees define free reserves in accordance with Charity Commission guidelines in that they are generally unrestricted funds less tangible fixed assets, net of any related loans and excluding designated funds.

The Trustees have reviewed the Institute's reserves policy and have decided to set reserves at the equivalent of three months operating expenses, which approximates to £1,100,000 (2020: £950,000).

At 31 August 2021, free reserves amounted to £2,358,544 (2020: £1,749,268) which is above the target. Future plans include significant capital investment within the next two years and reserves are being held above target to achieve this plan. Restricted funds were received within year, the balance of these was £nil at year end.

Trustees have agreed to review the level of reserves annually to ensure the appropriateness of the agreed level of reserves and any action required to adjust funds held in reserves.

We have incorporated £37,000 within the 2021/22 budget to pay for the hire of room rental at another organisation should we require the need for social distancing measures as we are limited to amount of face to face teaching we can carry out within our own premises.

After making appropriate enquiries, including student enrolment numbers for 2021/22 academic year the Board of Trustees considers that the organisation has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The risk we face is if social distancing is reinstated and whether our students or prospective students are content with being taught through a mixture of blended learning. To mitigate risks we have incorporated a section within the Student Contracts informing them that we will adhere to Government Guidelines in the event that restrictions are reintroduced and will revert to live on-line teaching should another lockdown be implemented.

FINANCIAL REVIEW (continued)

We do not have a pension liability. We do have funds invested within a high street bank. Interest rates have decreased, and we have adjusted the forecast interest accordingly, but the decrease was minimal.

RISK MANAGEMENT

The Trustees have formally re-assessed and reviewed the major risks to which the Institute is exposed to. Particular attention has been paid to the risks associated with the economic climate. The effectiveness of control systems in mitigating the Institute's exposure to these risks have also been assessed. The key risks to the Institute, and measures to mitigate these risks, are listed below:

- ◆ Student numbers – The Institute mitigates the risk of not achieving the desired number of students by planning in advance, particularly as part of the budget process, and ensuring continued retention of students.
- ◆ Reputation – The Institute maintains quality and standards and ensures compliance in all areas, whilst also ensuring student involvement and engagement.
- ◆ Technology – The Institute ensures systems are up to date, encrypted and appropriate for business purposes and processes.

Risk assessment continues to be an ongoing process at the Institute.

Trustees' Report approved by the Trustees on 23 November 2021
and signed on their behalf by:



Professor Ronald Parker

Chairman

Statement of Corporate Governance and Internal Control Year to 31 August 2021

The following statement is provided to enable readers of the annual report and financial statements of Metanoia Institute to obtain a better understanding of its governance and legal structure. The statement covers the period from 1 September 2020 to 31 August 2021 and up to the date of the approval of the annual report and financial statements.

Metanoia Institute endeavours to conduct its business;

1. Having due regard to the UK Corporate Governance Code in so far as it is applicable to the Higher Education Sector.
2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities.

We have adopted the UK Corporate Governance Code. We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code that we consider relevant to the Higher Education Sector.

The Board of Trustees recognises that as a body entrusted with both public and private funds, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

The Metanoia Institute is a Registered Charity and a Private Limited Company by guarantee without share capital use of limited exemption.

The Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below. The next AGM is due to take place in February 2022.

Name	Category of Membership	Date First Appointed	Expiry of Term of Office*	Date of Reappointment/Retirement	Attendance 1/9/20-31/8/21
Professor Ronald Parker	Chair	20/11/2000	20/11/2023	Reappointed: 26/11/2019	4 of 4
Jeffrey White	Vice-Chair, Trustee	29/04/2008	29/04/2020	Needs to be reappointed at next AGM	4 of 4
Jerry Arnett	Trustee	29/04/2014	29/04/2023	Reappointed: 05/02/2019	4 of 4
Helen Coleman	Trustee	26/11/2019	26/11/2023	N/A	3 of 4
Kelvin Jones	Trustee	26/11/2019	26/11/2023	N/A	4 of 4
Dotun Olaleye	Trustee	10/05/2016	10/05/2020	Needs to be reappointed at next AGM	3 of 4
In Attendance:					
Professor Sheila Owen-Jones	Chief Executive Officer	N/A	N/A	N/A	N/A
Professor Carrie Weston	Deputy Chief Executive Officer	N/A	N/A	N/A	N/A
Anita Faherty	Finance Director	N/A	N/A	N/A	N/A
Douglas Bertram	Secretary	N/A	N/A	N/A	N/A
Najaba Riaz	Secretary	N/A	N/A	N/A	N/A

Statement of Corporate Governance and Internal Control Year to 31 August 2021

Audit and Risk Committee		
Name	Category of Membership	Term
TBC	Chair	3 years
Helen Coleman	Trustee	3 years
Kelvin Jones	Trustee	3 years
<u>In Attendance:</u>		
Professor Sheila Owen-Jones	Chief Executive Officer	N/A
Professor Carrie Weston	Deputy Chief Executive Officer	N/A
Anita Faherty	Finance Director	N/A
Najaba Riaz	Secretary	N/A

The Audit and Risk Committee was formed in May 2020, a Chair of the Committee is due to be appointed.

Finance Committee		
Name	Category of Membership	Term
Jerry Arnott	Chair	4 years
Dotun Olaleye	Trustee	4 years
Jeffrey White	Trustee	4 years
<u>In Attendance:</u>		
Professor Sheila Owen-Jones	Chief Executive Officer	N/A
Anita Faherty	Finance Director	N/A
Douglas Bertram	Secretary	N/A
Najaba Riaz	Secretary	

Staffing and Remuneration Committee		
Name	Category of Membership	Term
Helen Coleman	Chair	4 years
Jerry Arnott	Trustee	4 years
Jeffrey White	Trustee	4 years
<u>In Attendance:</u>		
Professor Sheila Owen-Jones	Chief Executive Officer	N/A
Toyin Allen	Head of Human Resources	N/A
Douglas Bertram	Secretary	N/A
Najaba Riaz	Secretary	N/A

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. None of the Board of Trustees have any interests within the company.

The Secretary to the Board of Trustees maintains a register of financial and personal interest of the members of the Board of Trustees and senior post holders. This can be obtained by contacting naj.riaz@metanoia.ac.uk

Statement of trustees' responsibilities

The Trustees (who are also directors of The Metanoia Institute for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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 the Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of trustees' responsibilities (continued)

Each of the Trustees confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Meeting Procedures

Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Briefings are also provided on an ad hoc basis. Reports include overall financial performance of the organisation together with other information such as performance against funding targets, proposed capital expenditure, quality matters and personnel related matters such as health and safety issues. The Board of Trustees met 4 times in 2020/21.

The Board of Trustees receives advice on the conduct of its business from three committees. Each committee has its own terms of reference which have been approved by the Board of Trustees. These committees are, Finance, Staffing and Audit and Risk. The Audit and Risk Committee was formed in May 2020, a Chair is due to be appointed.

Metanoia Institute has a strong and independent non-executive element and no individual or group dominates its decision-making process. The organisation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chairman and Accounting Officer are separate.

Full minutes of all meetings, except those deemed to be confidential by the Board of Trustees, are published on the organisation website.

Appointment to the Board of Trustees

Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole.

Board of Trustees Performance

The Board of Trustees have made a strong contribution to the improvements made in 2020/21 through the setting of challenging targets with regular scrutiny of performance. There is strong performance management at Board meetings. The Board of Trustees provide robust scrutiny and challenge. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business. An independent review of the Board performance was carried out during 2020/21.

Committees

Audit and Risk Committee

The Audit and Risk Sub-Committee is responsible to the Board of Trustees in discharging its responsibilities for monitoring the integrity of the Institute's financial statements, the effectiveness of financial controls with regard to internal risk assessment and the performance and objectivity of external auditors. The Committee was formed in May 2020, a Chair is due to be appointed. The Committee is responsible for the following:

- ◆ To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings included within the management letter and management responses.
- ◆ To satisfy itself that all public funds received by the Institute are managed in line with regularity, propriety, and value for money.
- ◆ To satisfy itself that satisfactory arrangements are in place to promote best value, and to monitor other performance as shall be deemed to be reliable and appropriate measures of effectiveness.

Finance Committee

The Finance Committee oversees Metanoia Institute's financial reporting process, including the internal control structure and procedures for financial reporting and monitoring the integrity and appropriateness of the financial statements. The Committee monitors and reviews projected levels of income and expenditure across each Faculty and the whole Institute. It ensures an effective framework is in place to review performance against budget and to recommend improvements to accounting policies, systems, and procedures.

Staffing and Remuneration Committee

The Staffing Committee oversees and supports policies and practices in relation to Human Resources functions and to make proposals to the Board of Trustees for implementation. The Committee also report on Health and Safety issues. Terms of Reference of the Committees can be found on our website.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisations system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the organisations policies, aims and objectives, whilst safeguarding the public funds and assets. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure and can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of organisation policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the organisation for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the organisation is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there was a formal on-going process for identifying, evaluating and managing the

Institutes significant risks that had been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

The risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- ◆ comprehensive budgeting systems with an annual budget which is reviewed and agreed by the Board of Trustees
- ◆ regular reviews by the Board of Trustees of periodic and annual financial reports which indicate financial performance against forecasts
- ◆ setting targets to measure financial performance
- ◆ the adoption of formal project management disciplines, where appropriate.

Review of effectiveness

As the Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. The Chief Executive Officer review of the effectiveness of the system of internal control is informed by:

- ◆ the work of the external auditors;
- ◆ the work of the senior managers within the organisation who have responsibility for the development and maintenance of the internal control framework; and
- ◆ comments made by the organisation's financial statements and regularity auditors in their management letters and other reports.

There are no significant internal control weaknesses reported for the period.

The senior management team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments. The senior management team and the Audit and Risk Committees also receive regular reports, which include recommendations for improvement. The Audit and Risk Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board of Trustees agenda includes a regular item for consideration of risk and control and receives reports thereon from the senior management team and the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its July 2021 meeting, the Board of Trustees, carried out the annual assessment for the year ended 31 August 2021 by considering documentation from the senior management team, and taking account of events since 31 August 2020.

Based on above and reports by the Chief Executive Officer, the Board of Trustees is of the opinion that the organisation has an adequate and effective framework for governance, risk management and control to manage the achievements of the organisation's objectives for the year ended 31 August 2021 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Regularity, propriety, and compliance

The organisation has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the organisation, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the organisations financial regulations. As part of our consideration we have had due regard to our financial regulations. We confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Statement of Corporate Governance and Internal Control Year to 31 August 2021

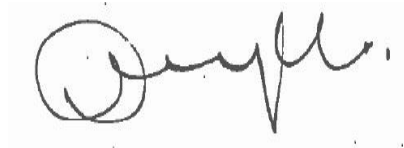
Going Concern

Details on Board's going concern assessment are set out on pages 31 and 32.

Approved by order of the Board of Trustees and signed on its behalf by:



Chair
Professor Ronald Parker



Chief Executive Officer
Sheila Owen-Jones

23 November 2021

Independent auditor's report to the members of The Metanoia Institute

Opinion

We have audited the financial statements of The Metanoia Institute (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure, changes in reserves and cash flows for the year then ended;
- ◆ have been properly prepared in accordance with UK Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006;
- ◆ where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- ◆ where applicable, funds provided by the OfS and by Research England have been applied in accordance with the relevant terms and conditions; and
- ◆ meet the requirements of the Office for Student's Accounts Direction.

We have nothing to report in respect of the following matter in relation to which the OfS Accounts Direction requires us to report to you if, in our opinion:

- ◆ the charitable company's grant and fee income, as disclosed in note 1 to these Financial Statements has been materially misstated.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees 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.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the

United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- used data analytics to investigate the rationale behind any significant or unusual transactions;
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and
- Performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report Year to 31 August 2021

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore, Senior Statutory Auditor
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 December 2021

Statement of financial activities (including income and expenditure statement Year to 31 August 2021
(which includes statement of changes in reserves)

		Restricted 2021 £	Unrestricted 2021 £	Total 2021 £	Total 2020 £
Income from:					
Investments		—	6,274	6,274	14,520
Other		—	—	—	360
Charitable Activities					
.-From Educational Services		17,134	5,150,924	5,168,058	4,203,774
. From Clinical Services		87,493	160,449	247,942	243,176
Total Income	1	104,627	5,317,647	5,422,274	4,461,830
Expenditure					
Charitable Activities					
. Educational Services		17,134	4,269,509	4,286,643	3,836,677
. Clinical Services		87,493	493,504	580,997	476,001
Total Expenditure	5	104,627	4,763,013	4,867,640	4,312,678
Statement of changes in reserves:					
Net income and net movement for the year	2	—	554,634	554,634	149,152
Reconciliation in Funds					
Total Funds brought forward 1 September		—	4,291,781	4,291,781	4,142,629
Total Funds carried forward 31 August		—	4,846,415	4,846,415	4,291,781

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 34 to 41 form part of these financial statements.

Balance sheet 31 August 2021

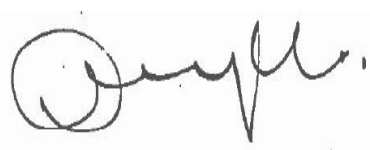
	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	6		2,329,763		2,384,412
Current assets					
Debtors	7	196,161		262,247	
Cash at bank and in hand		2,413,708		1,582,807	
Short-term deposits		1,526,582		1,520,489	
		4,136,451		3,365,543	
Creditors: amounts falling due within one year	8	(1,619,799)		(1,458,173)	
Net current assets			2,516,652		1,907,369
Total net assets			4,846,415		4,291,781
The funds of the charity:					
Unrestricted funds:					
. Fixed assets fund	11		2,329,763		2,384,412
. Designated funds	11		158,102		158,102
. General funds	11		2,358,550		1,749,267
Restricted funds	11		—		—
			4,846,415		4,291,781

Approved by the Trustees and authorised and signed on their behalf by:



Chair of Trustees

Professor Richard Parker



Accountable Officer

Sheila Owen-Jones

Date: 23 November 2021

The notes on pages 34 to 41 form part of these financial statements

The Metanoia Institute

Company Registration Number 02918520 (England and Wales)

Statement of cash flows 31 August 2021

	Notes	2021 £	2020 £
Cash inflow from operating activities:			
Net cash provided by operating activities	A	837,128	147,350
Cash outflow from investing activities:			
Interest from investments		6,274	14,520
Purchase of tangible fixed assets		(6,408)	(13,666)
Net cash (used in) provided by investing activities		(134)	854
Change in cash and cash equivalents in the year		836,994	148,204
Cash and cash equivalents at 1 September	B	3,103,296	2,955,092
Cash and cash equivalents at 31 August	B	3,940,290	3,103,296

Notes to the statement of cash flows for the year to 31 August:

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	554,634	149,152
Adjustments for:		
Depreciation charge	61,057	87,267
Interest from investments	(6,274)	(14,520)
Decrease (increase) in debtors	66,085	(81,973)
Increase in creditors	161,626	7,424
Net cash provided by operating activities	837,128	147,350

B Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,413,708	1,582,807
Short-term deposits	1,526,582	1,520,489
Total cash and cash equivalents	3,940,290	3,103,296

The Institute held no net debt as at 31 August 2021 or 31 August 2020.

Basis of accounting

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 August 2021 and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Office for Students' latest Accounts Direction.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ the allocation of support costs to charitable activities.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the Institute's activities, beneficiaries, funders, suppliers and the wider economy.'

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and in making their assessment have given consideration to the effects of the pandemic on the organisation and its operations.'

Assessment of going concern (continued)

The Board 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 Board are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The more significant areas of judgement that affect items in the financial statements are detailed above.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such financial statements and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year would be disclosed as short term deposits. Cash placed on deposit for more than one year would be disclosed as a fixed asset investment.

Creditors

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charity anticipates it will pay to settle the debt.

Financial instruments

The organisation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Designated funds are used for specific purposes as agreed by the Trustees. Expenditure which meets these criteria is charged to the funds.

Restricted funds are used for specific purposes as stated by the Awarding Body. Expenditure which meet these criteria is charged to the fund.

Income

Income includes course fees, clinic charges, grants and investment income. Income is recognised in the year in which the charity is entitled to receipt, it is probable the charity will receive the income and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled or where the funder has specified that the income is to be expended in a future accounting period.

Expenditure

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT.

Direct costs comprise direct costs incurred in carrying out the charitable activities of the organisation including direct staff costs and directly attributable running costs.

Expenditure which cannot be directly attributed to the relevant department is apportioned on the best estimates of each department's usage. Support costs are apportioned on the basis of time spent. Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the statement of financial activities.

Governance costs are costs associated with governing the charity including strategic planning and compliance with constitutional and statutory requirements. They are included in charitable activities within support costs and allocated to charitable activities on the basis of time spent.

Fixed assets

Fixed assets costing £2,000 or more are capitalised at cost.

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives using the following rates:

♦ Freehold land	Not depreciated
♦ Freehold buildings	2% to 10% straight line
♦ Furniture, fixture and equipment	10% to 33.3% straight line

Operating leases

Rentals applicable to operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1 Grant and fee income

	2021 £	2020 £
Grant income from the OfS*	54,057	34,647
Grant income from other bodies*	116,944	129,220
Fee income for taught awards	2,656,544	2,468,997
Fee income from non-qualifying courses	1,934,933	1,467,505
Clinic Client Income	130,998	113,957
School Based Research Income	476,538	194,830
Other Income	52,260	52,674
Total grant and fee income	5,422,274	4,461,830

2 Net movement in funds

The net movement in funds is stated after charging:

	2021 £	2020 £
Depreciation	61,057	87,266
Auditor's remuneration – statutory audit	12,000	11,880
Auditor's remuneration – other services	—	2,150
Operating lease costs	10,464	10,464

3 Staff costs and remuneration of key management personnel

Full time equivalent employees in the year:

	2021 No.	2020 No.
Educational services	39	21
Clinical services	10	9
Administration and support	29	27
	78	57

Actual employees in the year:

	2021 No.	2020 No.
Educational services	117	94
Clinical services	12	11
Administration and support	34	32
	163	137

3 Staff costs and remuneration of key management personnel (continued)

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	2,717,611	1,976,203
Social security costs	278,611	252,328
Pension costs	50,193	35,853
	3,046,415	2,264,348
Restructuring Costs	—	39,092
Trainers' fees	708,800	941,366
	3,755,215	3,244,842

There were no Staff restructuring costs in the year (2020: £39,092 relating to one person).

The Institute has given regard to the "Guidance on decisions taken about severance payments in HEI's" published by the Committee of University Chairs when determining severance pay.

Employees earning greater than £60,000 during the year on an annualised basis:

	2021 No.	2020 No.
£60,000 - £65,000	3	—
£75,001 - £80,000	—	1
£80,001 - £85,000	1	2
£85,001 - £90,000	1	—
£100,000 - £105,000	—	1
£110,001 - £115,000	1	—
£125,001 - £130,000	—	1
£130,001 - £135,000	1	1
	7	6

Pension contributions in respect of these employees were £6,874 (2020: £10,052).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the Trustees, the Chief Executive Officer (CEO), the Deputy Chief Executive Officer, two Faculty Heads, a third to be appointed (2020: four), the Director of Finance and the Head of Policy, Planning and Compliance. The total remuneration (including taxable benefits and employers' pension contributions) of the key management personnel for the year was £555,812 (2020: £777,800). The reduction is due to four Faculty Heads being employed in 2020 and only two employed in 2021.

The Academic Director for Faculty one is not part of the Senior Management Team. Their salary details have not been included within the key management personnel details, but they have been included within the number of Employees earning greater than £60,000 during the year.

3 Staff costs and remuneration of key management personnel (continued)

Chief Executive Officer Remuneration

	2021 £	2020 £
Basic salary	131,250	131,682
Bonus	500	500
Pension contribution	—	—
	131,750	132,182

The Chief Executive Officer's remuneration shown in the year was recommended by the Staff and Remuneration Sub-Committee (SARSC). SARSC determines the salaries and conditions of service of all senior staff, including the Chief Executive Officer and the Executive Team. SARSC forwards their deliberations to the Finance, Audit and Risk Committee (FARSC) who assessed the economic and financial good standing of the Institute, projected future student growth, and academic success. FARSC presents their recommendations to the full Board of Trustees for approval.

Chief Executive's basic salary as a multiple of the median of all staff	2.19 (2020: 2.19)
Chief Executive's total remuneration as a multiple of the median of all staff	2.19 (2020: 2.19)

Trustees were not paid any remuneration, only expenses were reimbursed (see note 4 for details).

4 Trustees' remuneration and reimbursed expenses

No trustee received reimbursement of travel expenses in the year (2020: one received £421). None received remuneration for their services or benefits in either the current or prior year.

The Institute paid £1,892 (2020: £1,726) in relation to trustee indemnity insurance during the year.

5 Analysis of total resources expended

	Staff costs (note 3) £	Other £	Depreciation £	Total 2021 £
Charitable expenditure				
Educational services	3,305,578	920,008	61,057	4,286,643
Clinical services	449,637	131,360	—	580,997
	3,755,215	1,051,368	61,057	4,867,640

5 Analysis of total resources expended (continued)

	Staff costs (note 3) £	Other £	Depreciation £	Total 2020 £
Charitable expenditure				
Educational services	2,911,138	838,271	87,267	3,836,676
Clinical services	333,704	142,298	—	476,002
	<u>3,244,842</u>	<u>980,569</u>	<u>87,267</u>	<u>4,312,678</u>

5a

	Direct costs £	Support costs (note 5b) £	Total 2021 £
Charitable expenditure			
Educational services	3,606,562	680,081	4,286,643
Clinical services	354,303	226,694	580,997
	<u>3,960,865</u>	<u>906,775</u>	<u>4,867,640</u>

	Direct costs £	Support costs (note 5b) £	Total 2020 £
Charitable expenditure			
Educational services	3,194,879	641,797	3,836,676
Clinical services	263,121	212,881	476,002
	<u>3,458,000</u>	<u>854,678</u>	<u>4,312,678</u>

5b Analysis of support costs

	Total 2021 £	Total 2020 £
Support services		
Rent and rates	17,534	16,999
Heat, light and power	16,512	16,818
Travel and expenses	2,053	10,062
Printing and stationery	40,460	33,095
Property maintenance	48,470	52,386
Other staff costs	13,386	20,261
Validated program costs	380,920	313,298
Library books and journals	31,707	32,685
Computer software	96,524	89,638
Consultancy fees	12,201	19,827
Legal and professional fees	51,031	48,558
QAA registrations	45,027	30,419
General expenses	150,950	170,632
	<u>906,775</u>	<u>854,678</u>

6 Tangible fixed assets

	Freehold land and buildings £	Furniture, fixtures and equipment £	Total 2020 £
Cost			
At 1 September 2020	2,919,369	193,599	3,112,968
Additions	—	6,408	6,408
Disposals	—	(6,975)	(6,975)
At 31 August 2021	<u>2,919,369</u>	<u>193,032</u>	<u>3,112,401</u>
Accumulated depreciation			
At 1 September 2020	625,020	103,536	728,556
Charge for the year	37,061	23,996	61,057
Disposals	—	(6,975)	(6,975)
At 31 August 2021	<u>662,081</u>	<u>120,557</u>	<u>782,638</u>
Net book values			
At 31 August 2021	<u>2,257,288</u>	<u>72,475</u>	<u>2,329,763</u>
At 31 August 2020	<u>2,294,349</u>	<u>90,063</u>	<u>2,384,412</u>

7 Debtors

	2021 £	2020 £
Fee debtors	78,874	167,651
Prepayments and accrued income	117,287	94,596
	<u>196,161</u>	<u>262,247</u>

There were £4,985 fee debtors which relate to courses straddling two academic years (2020: £nil).

8 Creditors: Amounts falling due within one year

	2021 £	2020 £
Deferred income	1,416,749	1,255,733
Trade creditors	23,877	28,956
Other taxes and social security costs	87,295	107,363
Accruals	91,878	66,121
	<u>1,619,799</u>	<u>1,458,173</u>

Deferred income relates to fee and training income received in advance for the following academic year, as well as restricted funding intended for carrying out specific research in the following financial year. The movement on the deferred income balance was as follows:

	2021 £	2020 £
Balance as at 1 September	1,255,733	1,112,008
Amount released to income	(1,255,733)	(1,112,008)
Amount deferred in year	1,416,749	1,255,733
Balance as at 31 August	<u>1,416,749</u>	<u>1,255,733</u>

9 Members' liability

The Metanoia Institute is a company limited by guarantee and has no share capital. In the event of the company being wound up, the liability is limited to £1 per member.

10 Operating leases

The charity had total future minimum commitments in respect to non-cancellable operating leases at 31 August as follows:

Equipment	2021 £	2020 £
Within one year	10,464	10,464
In two to five years	10,464	20,928
	20,928	31,392

11 Movement in funds

	At 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Total 2021 £
Unrestricted					
General	1,749,267	5,260,279	(4,644,588)	(6,408)	2,358,550
Designated					
. Bursary	—	57,368	(57,368)	—	—
. Redevelopment fund	158,102	—	—	—	158,102
. Fixed assets fund	2,384,412	—	(61,057)	6,408	2,329,763
Total Unrestricted	4,291,781	5,317,647	(4,763,013))	—	4,846,415
Restricted					
AMORAY	—	35,220	(35,220)	—	—
HEROINES	—	9,966	(9,966)	—	—
TARCT	—	33,496	(33,496)	—	—
UKPC Research Award	—	8,811	(8,811)	—	—
OfS Hardship Funds	—	4,523	(4,523)	—	—
OfS Capital Grant	—	12,611	(12,611)	—	—
Total Restricted	—	104,627	(104,627)	—	—
	4,291,781	5,422,274	(4,867,640)	—	4,846,415

Designated funds relate to:

- ◆ The bursary fund represents funds set aside for the purpose of providing bursaries.
- ◆ The redevelopment fund represents a legacy by Nina Joy Miller and are funds set aside for future academic and structural redevelopment of the Institute.
- ◆ The fixed asset fund represents the net book value of the Institute's tangible fixed assets.

11 Movement in funds (continued)

Restricted funds relate to:

- ♦ Assessment of Mental Health of Refugees and Asylum Seekers by Youth Workers (AMORAY) is a grant awarded by Erasmus +. We work in partnership with four organisations.
- ♦ HEROINES is a grant awarded by Erasmus +. Its focus is the empowerment of women with mental illness living in rural areas through writing therapy.
- ♦ European Association for Transactional Analysis (TARCT) is a grant awarded for Reviewing and validating the scientific foundations of Transactional Analysis practice and research.
- ♦ UKPC Research Award grant was awarded to research what support therapists need to do research and a review of studies into how therapists experience research.
- ♦ OfS Hardship funds were funds allocated by the Office for Students due to COVID 19. The funds could be allocated to students for varying reasons. We allocated funds for internet connection due to teaching on-line. OfS Capital funds were funds allocated by the Officer for Students for capital expenditure.

	At 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Total 2020 £
Unrestricted					
General	1,526,514	4,333,140	(4,096,721)	(13,666)	1,749,267
Designated					
. Bursary	—	29,138	(29,138)	—	—
. Redevelopment fund	158,102	—	—	—	158,102
. Fixed assets fund	2,458,013	—	(87,267)	13,666	2,384,412
Total Unrestricted	4,142,629	4,362,278	(4,213,126)	—	4,291,781
Restricted					
AMORAY	—	71,440	(71,440)	—	—
HEROINES	—	6,769	(6,769)	—	—
TARCT	—	21,343	(21,343)	—	—
Total Restricted	—	99,552	(99,552)	—	—
	4,142,629	4,461,830	(4,312,678)	—	4,291,781

12 Related Party Transactions

Other than those disclosed in note 4 to the accounts the Institute did not conduct any related party transactions in the year.

13 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2021 £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	—	2,329,763	—	2,329,763
Current assets	3,928,802	158,102	49,547	4,136,451
Creditors: amounts falling due within one year	(1,570,252)	—	(49,547)	(1,619,799)
Total net assets	2,358,550	2,487,865	—	4,846,415
	General fund £	Designated funds £	Restricted funds £	Total 2020 £
<i>Fund balances at 31 August 2020 are represented by:</i>				
<i>Tangible fixed assets</i>	—	2,384,412	—	2,384,412
<i>Current assets</i>	3,207,441	158,102	—	3,365,543
<i>Creditors: amounts falling due within one year</i>	(1,458,173)	—	—	(1,458,173)
<i>Total net assets</i>	<i>1,749,268</i>	<i>2,542,513</i>	<i>—</i>	<i>4,291,781</i>

Detailed expenditure account 31 August 2021

This page does not form part of the financial statements

	2021 £	2021 £	2020 £	2020 £
Expenditure				
Educational services:				
Salaries and wages	2,314,500		1,712,989	
Trainers' fees	685,501		932,301	
National Insurance	240,669		226,611	
Pension costs	42,609		31,371	
Staff recruitment and training	17,950		22,442	
External examiners fees	68,629		34,943	
Bursaries	57,368		29,137	
Validation fees	377,947		313,298	
Conference and courses	—		500	
Premises and maintenance	77,651		81,090	
Printing and stationery	43,401		68,211	
Depreciation	61,057		87,267	
Travel and subsistence	5,631		12,046	
Consultancy	12,201		19,827	
Library books and journals	31,707		40,669	
Rent and room hire	503		7,695	
Computer software	96,524		93,316	
Sundry	13,569		9,477	
Catering	682		5,008	
Legal and professional	26,548		20,451	
QAA/OfS registrations	45,026		30,418	
Advertising and marketing	3,699		11,267	
Committee costs	15,967		2,871	
Indemnity insurance	1,893		1,727	
Bad debts written off	1,935		3,156	
Auditor's remuneration	12,000		11,880	
Bank charges	31,496		26,709	
	4,286,643		3,836,677	
Clinical services:				
Salaries and wages	403,111		302,306	
Trainers' fees	23,300		9,065	
National Insurance	37,942		25,717	
Pension costs	8,584		5,681	
Research partner fees	28,500		58,467	
Establishment costs	40,409		39,067	
Compliance (DBS) checks	7,280		4,093	
Sundry	29		139	
Computer support costs	31,551		29,218	
Conferences and courses	291		1,018	
Travel and subsistence	—		1,230	
		580,997		476,001
Total resources expended		4,867,640		4,312,678

The Trustees
The Metanoia Institute
13 North Common Road
Ealing
London
W5 2QB

16 December 2021

Our ref M0234/SB/DW

Ladies and Gentlemen

Post-Audit Report – Year ended 31 August 2021

The purpose of this letter is to bring to your attention the findings from our recent audit of the financial statements of The Metanoia Institute for the year ended 31 August 2021. We appreciate that you will already be aware of some of the matters contained in this letter. However, in accordance with International Standards on Auditing (UK) (ISAs) we are communicating them to you formally.

1. Purpose of the audit

Our work during the audit was performed with a view to expressing an opinion on the financial statements for the year ended 31 August 2021 and other matters required by legislation.

Our audit work included consideration of the internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of your system of internal control.

The matters being reported are limited to those that were identified during the audit and that we conclude are of sufficient importance to merit being reported to those charged with governance.

2. Audit progress

We are pleased to report that the audit of the financial statements, from our perspective, went well and in accordance with the agreed timetable, despite being conducted remotely.

We would like to take this opportunity to thank all those with whom we dealt during the audit for their assistance and co-operation, in particular Sheila Owen-Jones, Anita Faherty, Helen Senay and Nadia Khan.

3. Annual report and financial statements' format

The financial statements have been prepared, as last year, in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102), as well as the latest Accounts Direction published by the Office for Students, which was the same version of the guidance which applied to the 2019/20 accounts and hence has not necessitated any new disclosure this year.

The format of the statement of financial activities, and the income, expenditure and funds notes to the financial statements have been updated for the year ended 31 August 2021 to show restricted and unrestricted activity separately. This is because restricted income and expenditure is considered material to the Institute's financial statements.

Aside from this and the changes to our auditor's report detailed in point 4 below, there are no other significant changes to the format of the financial statements this year.

4. Auditor's report

We do not propose any modifications to our audit opinion and, therefore, we intend to issue an unqualified opinion in our auditor's report. Following recent changes to the International Standards on Auditing (UK), our auditor's report has been updated to include:

- an explanation as to what extent our audit was considered capable of detecting irregularities, including fraud; and
- revised wording for our conclusion relating to the trustees' use of the going concern basis of accounting and the identification of any material uncertainties that may cast significant doubt on the Institute's ability to continue as a going concern.

5. Adjustments made during the audit

Other than presentational amendments which had no impact on the reported results for the year, there were no adjustments made to the figures presented to us for audit.

6. Unadjusted misstatements

We are pleased to report that we found only clearly trivial misstatements during our audit for the period.

7. Accounting policies, accounting estimates and disclosures

The accounting policies used in preparing the financial statements are unchanged from the previous year.

Our work included a review of the adequacy of disclosures in the financial statements and consideration of the appropriateness of the accounting policies and estimation techniques adopted by the Institute. We found the disclosed accounting policies, significant accounting estimates and the overall disclosure and presentation to be appropriate for the Institute.

We have no specific observations to make in this regard.

8. Letter of representation

We enclose the final draft letter of representation which we will request management and the trustees to approve and sign at the same time as the financial statements.

9. Prior year's post audit-report

There were no issues raised last year which required follow-up in the current year.

10. Significant deficiencies in the accounting and internal control systems

Our work during the audit included an examination of some of the Institute's transactions, procedures and controls with a view to expressing an opinion on the financial statements for the year ended 31 August 2021. We found no significant deficiencies in the accounting and internal control systems during our audit.

11. Professional ethics

In accordance with our profession's ethical guidance and further to our letter to you confirming audit planning arrangements there are no further matters to bring to your attention in relation to Integrity, Objectivity and Independence.

12. Current developments

We have attached a summary of recent and ongoing developments in the Not-for-Profit and specifically the Higher Education sector in an appendix to this report.

Due to the rapidly evolving impacts of the crisis, including Government responses, we encourage you to refer to our Covid-19 information page (<https://www.buzzacott.co.uk/news/responding-to-the-impact-of-covid-19>) for latest news. When visiting this page you will also be presented with an opportunity to manage the updates you receive from Buzzacott should you wish.

13. Updates, insights and seminars

As part of our commitment to the Institute sector, during the year the Charity and Not-for-Profit Team issues occasional Updates and Insights on matters of relevance to the sector and also holds a number of seminars free of charge throughout the year. We would be delighted to welcome representatives of the Institute to our seminars or to add trustees and management to our email distribution lists if this would be welcome.

Conclusion

This report has been prepared for your private use only. It has been prepared on the understanding that it will not be shared with any third party without our prior written consent and we can therefore assume no responsibility to any other party. The advice contained herein is based on the information you have provided and UK law and judicial and administrative interpretation as of the date of this report. Should the facts provided to us be incorrect or incomplete or should they change, our advice may be inappropriate. Buzzacott LLP accepts no liability for losses arising from changes in UK law, interpretation or practice or in public policy that are first published after the date of this report.

If you require any further information or assistance, we shall be very pleased to help you.

We would be pleased to receive your comments and reaction to this letter.

Yours faithfully

A handwritten signature in dark ink, appearing to read "Buzzacott LLP", is written in a cursive style.

Appendix – Current Sector Developments

GENERAL CHARITY UPDATES

Charity Governance Code – what has changed?

The Charity Governance code is a simple tool for charity trustee boards to ensure their governance structures are fit for purpose. It sets out seven principles of good governance for charities of all shapes and sizes in England and Wales. A consultation on refreshing the Charity Governance Code was launched by its “steering group”, made up of ACEVO, the Association of Chairs, the Chartered Governance Institute, NCVO, SCC and WCVA, in November 2019 and came to an end on 28 February 2020.

Following the consultation, the steering group have refined two of the seven principles: the Equality, Diversity and Inclusion (EDI) Principle and the Integrity Principle.

The steering group believe that great EDI practice sits at the heart of good governance, and that in order to effectively deliver their public benefit, boards must focus on achieving equality of outcomes carrying out their charitable purpose. To make better and more informed decisions, boards must be diverse. Societal power imbalances must be prevented from playing out in the boardroom. In addition to this, the steering group believe EDI has the power to create social justice, in boardrooms, organisations, across the charity sector as a whole and ultimately throughout society.

It is recognised that all charities are at different stages in their ongoing diversity journey. Four stages of recommended practice for charities have been set out. Boards should:

- Think about why EDI is important for their charity and assess the current level of understanding.
- Set out plans and targets tailored to each charity and its starting point.
- Monitor and measure how well a charity is doing, based on context specific goals set by the charity.
- Be transparent and publish the charity’s progress.

Alongside EDI, the Code’s Integrity principle has been updated. In the last couple of years, the charity sector has learnt a lot about integrity and safeguarding, and the harm that can be caused when integrity is abused. Integrity in charity governance is much more than managing funds and financial assets well. It is also about values, ethical principles in all decision-making and creating a welcoming and supportive culture.

Following the Charity Commission’s safeguarding regulatory alert last year, the steering group have put further emphasis on the right of everyone who comes into contact with a charity, including staff, volunteers, partners and beneficiaries – to be safe and to know how to speak up and raise concerns.

More information on the Charity Governance Code, and the updated principles, can be found at:

<https://www.charitygovernancecode.org/en>

Charity Commission guides

The Charity Commission has launched a campaign aimed at helping trustees refresh their knowledge of charity governance and be “certain in uncertain times”.

A suite of 5 visually engaging animated videos promoting one of the regulator’s 5 minute guides has been developed. The guides provide simple, easy to understand information on all the governance basics trustees need to know. The campaign prompts trustees to consider their understanding of their key responsibilities by posing a question connected to each guide:

- Does every decision help your charity with its mission?
- Could your charity be drifting into activities that your charity is not set up to do?
- Is your charity reporting the right things at the right time?
- Could you spot a conflict of interest and manage it?
- Is there more you can do to prevent fraud?

Further information is provided at: <https://www.gov.uk/government/news/regulators-new-5-minute-guides-will-support-charity-trustees-to-meet-duties>

Charities Bill

The government has implemented the recommendations made by the Law Commission in 2017 in the reformed Charities Bill. There are four main amendments relating to powers around governing documents, improving how land transactions are carried out, making more use of the permanent endowment and simplification of incorporations and mergers. There are also changes to what charities can do with funds raised from failed fundraising appeals and removing the requirement to seek Charity Commission permission for small ex gratia payments.

A summary of the Bill can be found at: <https://www.gov.uk/government/publications/charities-bill-factsheet/charities-bill-factsheet#what-the-bill-does>

Cyber-security and privacy

In March 2021, the National Cyber Security Centre (NCSC) issued a stark cyber and privacy warning to the education sector. A rise in ransomware, malware, phishing attacks and general disruption to the online security of educational institutions has led to the NCSC issuing an important alert to the sector as reports of lost coursework, financial records and sensitive coronavirus data increase. In their report, the NCSC details recent

trends observed in ransomware attacks on the UK education sector encompassing trends observed during August and September 2020, as well as the recent attacks since February 2021. It also provides mitigation advice to help protect this sector from attack. The report can be read in full at: <https://www.ncsc.gov.uk/files/NCSC-Alert-Further-targeted-ransomware-attacks-education-sector-March-2021.pdf>

Safeguarding toolkit

Aid umbrella body Bond has urged charity bosses to “step up” on protecting staff and beneficiaries from abuse, as it launches guidance for improving safeguarding culture.

The tool is designed to help assess how an organisation approaches questions of safeguarding and develop plans for preventing “all types of harm, including sexual exploitation, abuse and sexual harassment”. The toolkit aims to help bosses lead discussions, and agree potential actions for their charity, under the heading of six foundations.

The six foundations identified in order to build a stronger safeguarding culture are: accountability, policies and processes, safer programming, a survivor-centred approach, awareness-raising, and safer recruitment and HR processes.

The toolkit can be found here: <https://safeguarding-tool.bond.org.uk/>

New off-payroll working rules (IR35)

New rules were introduced from April 2021 for organisations who pay contractors using personal service companies. The off-payroll working rules are designed to stop the avoidance of payroll taxes where a client pays a worker via the worker’s personal service company.

From April 2021, the responsibility of assessing whether contracts fall under the IR35 rules and implementing payroll deductions were extended to cover many private sector charities and other organisations. Previously the responsibility only affected organisations meeting the definition of ‘public authorities’. New requirements have also been introduced that will affect both public authorities and other organisations. In addition to public authorities, large and medium* size entities also fall under the new IR35 rules.

Charities and organisations under the new rules must review their contracts to determine whether the IR35 rules apply. A ‘Status Determination Statement’ (SDS) must be prepared, explaining the charity’s decision and reasoning for it. This SDS must then be given to the worker and their personal service company/agency. If the outcome is that the IR35 rules apply, the worker must go onto the charity’s payroll with tax and NICs deducted, before the net payment is made to the worker’s personal service company. The charity is also required to establish a disagreement process for any workers that wish to challenge the SDS they have been sent.

HMRC’s online Check Employment Status for Tax (CEST) tool is useful in determining whether IR35 applies, however it is not definitive and it may be worth seeking further advice on uncertain engagements.

Further information can be found at: <https://www.buzzacott.co.uk/insights/new-off-payroll-working-rules-ir35-what-your-charity-needs-to-do-before-april-2021>

**An incorporated entity is large or medium if any two of the following apply:*

- Annual turnover is more than £10.2 million
- Balance sheet total is more than £5.1 million
- Average number of employees is more than 50

HIGHER EDUCATION UPDATES

OfS additional grants

In July 2021, the Office for Students allocated £1.2 billion in funding to universities and colleges across England.

This comprises:

- £900 million to support the delivery of high-cost courses
- £273 million for student access and success
- £53 million funding for specialist providers including a number of world-leading institutions delivering courses in the performing and creative arts.

In addition to this, the OfS has also confirmed it will allocate £150 million of capital funding to help universities and colleges to invest in their physical infrastructure, £40 million to the Uni Connect outreach programme and £21 million for national facilities and regulatory initiatives, for example projects to support student mental health.

These grant allocations will be implemented from 2021/22 and are a result of the changes to the OfS funding methodology. Further information can be found at: <https://www.officeforstudents.org.uk/publications/recurrent-funding-for-2021-22/>

Strategic Priorities Grant

It was announced in August 2021 that the Office for Students will allocate an additional £10 million of funding for high cost subjects to universities and other higher education providers, through the Strategic Priorities Grant. The funding will support an increase in undergraduate students studying subjects that are more expensive to deliver such as medicine, dentistry, veterinary sciences, nursing and other healthcare courses, as well as laboratory-based subjects. Funding will be made available to those higher education providers taking on additional students studying high cost subjects, and will be allocated by formula. Funding will be allocated after providers submit student data for the 2020/21 academic year.

Further information can be found in the letter from the Universities Minister setting out the proposal at: <https://www.officeforstudents.org.uk/media/73a9e938-83d6-44fa-8490-4a2ef649f0b8/minister-donelan-letter-additional-funding-2021-9aug21.pdf>

Mental Health grants

Eighteen projects across universities and colleges in England will receive funding to support student mental health in a £6 million programme (£1 million provided by DHSC, £2 million from the DfE, and £3 million in co-investment from universities, colleges and partner organisations).

Projects are designed to focus on student groups which may be at an increased risk of poor mental health or might face barriers to accessing support such as international students, part-time students, or those with caring responsibilities.

A full list of projects and universities can be found at: <https://www.officeforstudents.org.uk/advice-and-guidance/funding-for-providers/mental-health-competition-using-innovation-and-intersectional-approaches/>

OfS priorities

The new Chair of the OfS, Lord Wharton has three key messages for the sector:

- the importance of high-quality courses, and universities' central role in levelling-up access to higher education for students from all backgrounds;
- urge universities to redouble their efforts to tackle antisemitism and harassment on campus; and
- signal a reduction in red tape for those universities and colleges that are delivering for students.

The OfS has also appealed to universities to review their sexual misconduct and harassment policies by summer 2021 and has published a statement of expectations for universities, which provides a set of consistent recommendations for higher education institutions to develop and implement effective systems, policies and processes to prevent and respond to incidents of harassment and sexual misconduct.

The full statement of expectations can be read at: <https://www.officeforstudents.org.uk/advice-and-guidance/student-wellbeing-and-protection/prevent-and-address-harassment-and-sexual-misconduct/statement-of-expectations/>

Prevent monitoring data

Universities and colleges have a number of obligations under the Prevent framework, which aims to safeguard people from being drawn into or supporting terrorism. Responsibilities include effective welfare mechanisms to support at-risk individuals, managing external speaker requests, and providing staff training. In September 2021,

the Office for Students published a range of data relating to how universities and colleges are performing their duties under the framework, covering three years, from 2017-18 to 2019-20. The following key points were highlighted:

- 37 instances where cases were formally referred to the police or local authority in 2019-20 (compared to 24 in 2018-19 and 15 in 2017-18)
- In 2019-20 and 2018-19 combined, the total number of events or speaker requests rejected for Prevent-related reasons was fewer than five (compared to an overall rejection amount of 94). This figure stood at 141 in 2018-19.
- In 2019-20, 22,363 staff received induction Prevent training, 11,151 received refresher training, and 102,527 received broader welfare/safeguarding awareness training or briefing.

Full data and analysis can be found at: <https://www.officeforstudents.org.uk/publications/prevent-monitoring-summary-of-annual-accountability-and-data-returns/>