

Company registration number: 03838253

Charity registration number: 1077365

Psychosynthesis and Education Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Field Sullivan Limited
70 Royal Hill
Greenwich
SE10 8RF

Psychosynthesis and Education Trust

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 7
Independent Auditors' Report	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 to 25

Psychosynthesis and Education Trust

Reference and Administrative Details

Trustees	Glyn Bottrell Sue Fox John Hughes Emma Marinos Michael Shaw Penny Terndrup Phillipa Watson Lady Diana Whitmore
Senior Management / Leadership Team	Jamie Joyes, Finance and Operations Director Jen Morgan Kim Shiller, Programmes Director
Charity Registration Number	1077365
Company Registration Number	03838253
Registered Office	The charity is incorporated in England and Wales. 92-94 Tooley Street London SE1 2TH
Auditor	Field Sullivan Limited 70 Royal Hill Greenwich SE10 8RF
Bankers	Barclays Bank PLC Southwark Branch 29 Borough High Street London SE1 1LY

Psychosynthesis and Education Trust

Trustees' Report

The following summary provides an update on our organisational highlights and priorities during the reporting year of 2020/2021.

The COVID-19 pandemic continues to impact the charitable activities of the Psychosynthesis Trust through this accounting period and beyond. The work undertaken in Spring 2020 in transitioning the delivery of course education and counselling services to online platforms has enabled the Trust to not only deliver core services, but also grow.

Our Core Training Offer:

The external environment has had a dramatic impact on our work. To understand the complexity of programmes and delivery we have felt it important to remain tuned into the philosophies, communities, and global issues of this period - not only COVID-19, but also key themes of impact such as George Floyd's murder and Brexit.

- All training programmes, meetings, and CPD have been delivered online since the start of the pandemic.
- There has been a high and increased demand for our core programmes as people seek meaning and new ways to earn a living.
- The metalevel of change and living in uncertain times requires in-the-moment decision making, the development of new safety elements, policies and working documents to support our education community and industry, along with thoughtful, open-hearted, and deliberate action.
- The complexity of needs and demands, lockdowns, vaccinations, easing of restrictions, and hope as we head towards learning to live with COVID, all affect planning and our communities.
- As the world's movement has been restricted there has been an openness to connect and come together, seen in increased attendance to meetings and online community events.
- We hold the acknowledgement of the impact of this change on mental health.
- We continue to navigate the pandemic which seems far from over, and the economic impact is still unknown.

Adaptations have been made to the organisational rollout of programmes and we are in process of planning an online Foundation course for September 2021. We are currently exploring ways to blend approaches to learning where we can include online aspects.

Intakes across psychosynthesis organisations in Sweden and our peers in the UK are at an all-time high. Over the course of the past year, we have expanded core programmes. Essentials and Foundation year intakes have each increased by 23% since 2018.

What is becoming increasingly clear is that our building will be at capacity when we return fully to in-person training and not yet knowing the extent of how future physical distance guidelines will impact this further.

Our programmes administration team has grown in correlation to the increase in students and complexities of courses. We have 139 students on all core programmes at the accounting year-end and expect this to rise to 166 in September 2021. This would mark a 44% increase on pre-COVID numbers. Our planned intake for a new advanced diploma has been moved back from April 2021 to October as uncertainty of delivery methods impacted application numbers. We have also grown our training team to be able to support current student and group numbers, enabling us to develop capacity in trainers and allow for more flexibility in who teaches what.

Psychosynthesis and Education Trust

Trustees' Report

A consideration in thinking forward is what lies ahead for students who qualify in terms of the market of client work. As numbers of disillusioned white-collar workers and people who genuinely seek more meaningful and purposeful careers increases, we have an ethical consideration to balance growth against market flooding. There are some potential opportunities to develop as we explore different ways in which we can support graduates' development in supporting growth and demand in our low-cost counselling services.

Over the past two years we have made concerted efforts to stay connected with requirements and what we feel is right for the training. This is primarily tested by the Curriculum Development Group, and we are mostly progressing well and have had a good response from students and potential applicants. There is a slow increase in the inclusion of diversity in students and trainers including and beyond gender and sexuality and we hope to continue becoming more inclusive through recognising the dynamics of intersectionality across the organisation, through recruitment, student applications, trainers, and teaching. We have an increased number of students identifying as neuro divergent and we continue to work on processes and policies that hold an inclusive, cohesive plan of how we support students who have a diagnosis.

Our Counselling and Low-Cost Counselling Services Offer:

After a small decline in counselling service clients and client hours at the outbreak of the pandemic, these have fully recovered and have seen growth. Total clients for the accounting period are up from 278 (YE20) to 344, and client hours up from 3,578 (YE20) to 5,021.

Word of mouth accounts for 77% of all referral sources to the placement service, which speaks to the excellent work accomplished by our students in training, with only 14% of referrals from internet search engines. Our student counselling service is a high-level entry into the vocation of counselling, serving students and low-cost clients well. It is an area we can be proud of and serves and chartable status well. As such, we have expanded our placement offer to other counselling courses and have started to see an uptake in students from this source as well.

The increase in client numbers for professional services instigated a recruitment drive for new counselling service members, and we expect to see this service hit capacity by the end of 2021. In 2019 we identified an opportunity in supporting our graduates in developing their next steps from qualification, in particular cohorts impacted by the pandemic. A scheme to support graduates is planned for late 2021 whereby the Trust would enable graduates to continue to volunteer with their existing clients before transitioning these clients into their own private practices.

We are developing a contract for professional counselling service members. The contract clarifies essential points (e.g., that members are self-employed and hold responsibility for referred clients in their private practice). The contract goes further in requiring the professional members to deepen the connection with the Trust by reporting on specific client criteria that will support us to understand more about the general needs of clients entering and leaving the service, and safeguard the work that is done, with clearer lines of responsibility.

Our Room Rental Offer:

The most significant impact on income continues to be realised in the tertiary area of our revenue streams - the room rentals - as the perishability of this physical service became more evident. We reopened our building in September 2020 for professional therapy session bookings only within well-crafted safety measures. During times of local and national restrictions, we have limited access only for high priority clients in need of in-person therapy.

Psychosynthesis and Education Trust

Trustees' Report

The trend of revenues across the accounting period directly correlates to the national COVID status and narrative from the Government. Initial signs of growth from September 2020 were reversed from September 23rd when the Government re-issued guidance to work from home. Revenues continued to trend down across the winter months as local and national restrictions were increased.

As the Government initiated its roadmap out of COVID from Spring 2021, revenues started to increase at each stage, and we expect this trend to increase as we move into the next accounting period from September 2021. The uncertainty of COVID remains, and we know that despite the Prime Ministers pledge that the lifting of restrictions is “irreversible”, the external environment of the pandemic may still directly impact the levels of room hire.

Strategic, governance, and operational infrastructure:

As our building reopened and programmes intakes continued to grow, two recruitments drives were completed early in the accounting period to support these two elements. The role of Facilities Manager was recruited after the previous member of staff resigned just before the outbreak of the pandemic. The cost-saving of delaying this recruitment was prudent during the period in which the building was closed, but the reopening in September 2020 restored the need of this role, which was initially agreed on a part-time basis until a distinct level of revenues returned. A new role of Events Coordinator was agreed to support the Programmes administration team during times of growth.

In July 2021, the Executive Director left the organisation. During the notice period, the Trustees formed a working group, liaising with the Leadership Team on a strategic way forward looking at various options that would serve the Trust well in its forthcoming years. Trustees decided to allow an experimentation of flat executive leadership, initially with the two remaining directors forming a dyad with defined role-led and collective decision making, and that in the next accounting period would recruit for a third equal director to triangulate the Leadership Team whose role would explore the potential of wider social impact that the Trust could deliver outside of its core work.

One Trustee resigned during the accounting period. The intention of the Board is to recruit to replace the position through a process of recognising any skills and intersectionality gaps to continue to grow the diversity and of the Board of Trustees whilst maintaining a broad expertise that captures key elements of the Trust's operational work.

Reserves Policy:

The Trustees have approved a new Reserve Policy which helps Trustees and the Leadership Team monitor and make key financial decisions. The Policy is 3-pronged:

1. Monitoring the Balance Sheet to ensure total capital and reserves exceeds any winding up liabilities.
2. Operating reserve level target of 50% of the annual expenditure budget without fixed assets.
3. Cash Flow level of 25% of the annual expenditure budget which focusses on cash at bank and in hand only.

In the event that any of the targets drop below the designated level, the Leadership Team will call an extraordinary meeting with the Trustees to set out a plan of action to return the level back to its target.

Financial Performance:

From a financial reporting perspective, the Annual Financial Reports for the accounting year 2020/21 reflect a deficit of £122k This is down on the 2019/20 surplus of £22.2k.

Psychosynthesis and Education Trust

Trustees' Report

We hold cash balances of £409k.

This is 17% down on 2019/20 cash balance of £495k.

Total income was £853.5k and this is an 10% decrease compared to 2019/20 turnover of £950.4k.

Our student numbers have increased to 139 for 2020/21 compared to 133 for 2019/2020 (Sept 2020). Attendees of our entry point programme, The Essentials of Psychosynthesis, continued to grow to £67,369 and 7% compared to £42.8k and 4% for 2019/20.

Our Counselling Services activity, including our low-cost offering, has earned £115.4k this is 13% compared to £76.1k income in 2019/20.

Our room rental business has decreased its revenue to £21.9k this a 91% drop compared to £232.1k in 2019/20.

Management and mitigation against cash flow risk

Despite the continued growth in Programmes and Counselling Services revenues, the impact on room rentals continues to threaten our budget and cashflows. An extended set of projection scenarios were modelled with the Trustees, and these remained “live” so they could be adapted over the course of the pandemic as we learned more. Focus, as it ought to in times of crisis, turned to mitigating cashflow risk. A traffic light system of monitoring was developed for cashflow reserves which targeted levels associated with budgetary expenditure.

The following detail includes post-reporting information:

How we are increasing revenues and recognising emerging markets:

- Expanding the capacity of new students again in September 2021 by 50% to 45 (from 30). The likelihood of filling these spaces is high, and this will generate a minimum £55,425 of additional revenue.
- Our Stage 1 Essentials course has increased in frequency (from 6 to 11 annually). Despite offering fewer spaces on each course because of virtual limitations, this expansion generates an additional £9,450 per annum.
- What is emerging as we start recovery in physical space rental is the shift to counselling and therapy to a hybrid model where a percentage of sessions will remain online. We are making a small investment into our IT infrastructure and hardware to offer hybrid counselling rooms.
- We agreed to end the lease of our tenants from 1st April 2021 as they restructure and implement cost efficiency measures of their own. This released a whole floor of physical space which is allowing us to expand our Programmes offer.
- We are implementing ways of increasing our Counselling Services. Feedback tells us that around 75% of new clients enter the service based on word-of-mouth, so there is potential to grow this with a marketing plan, as well as the natural growth that aligns with a rise in student numbers.

How we are reducing our budgeted expenditures:

- There is a natural reduction in expenditures whilst the room rentals remain at low levels (cleaning, supplies, etc).
- By remaining closed at weekends there are savings being made on current staffing, and the budgeted recruitment we had planned for weekend expansion has been paused.
- We operated without a Facilities Manager whilst the building was closed (the previous person had left just before the pandemic started). Our terms of recruitment included holding the role in a part-time position whilst room rentals remained low, saving 60% of the budgeted salary expenditure.
- We continue to review all leases and contracts as they expire to ensure best value for money and the correct levels of service are invested in.

Psychosynthesis and Education Trust

Trustees' Report

Accessing the most prudent financial support packages:

- The insurance claim against business interruption was rejected.
- Successful ARG grants from the local authority raised £15,536 for operating physical space during COVID restrictions.
- We have continued to make use of the furlough scheme to protect jobs that were under threat through role reduction/need. In the reporting accounting period, we claimed £35,185 from HMRC.
- We continued working with peer organisations (who lease counselling spaces) to enable systems change, navigate the pandemic in collaboration, and lobbied the Government for financial support for the sector.

It is noteworthy that at no point do we expect to run out of cash, nor drop to a sustained level that would be less than 25% of our budgeted expenditure.

Future projections:

Despite the downward trends we see in cashflow projections and the slower than anticipated recovery of room rental revenues, we are optimistic for the future beyond September 2022. We can see an increase in need in the world for the core work that we do through our growth in programmes and counselling services. We know that the demands and subsequent waiting lists are overwhelming the NHS. Our room rental growth continues to trend upwards, and we expect this to continue over time as the world returns to a more balanced in-person working environment.

Whilst the short-term future looks more secure, and the mid-term future looks bright, we are continue working on longer-term risk strategies and ways of mitigating against known and unknown risks.

The principal risks are not being clear about the recovery rate for our room rental business and if a potential economic downturn might reverse the high demand for our training courses, although we remain confident that with continued high demand for our core training offer, agile strategic planning, and financial risk mitigation, we will be able to adapt and ensure the long-term wellbeing of the Trust and its work. We are, however, being cautious in our building refurbishment plans which will depend on what we sense into in terms of the future of training delivery and counselling.

We will continue to restrict all non-essential spending and will ensure we have our Reserves Risk Assessment plan in place. This will be activated given different levels of Reserves.

We are confident that with all these measures in place the Psychosynthesis Trust will continue to be a 'going concern'.

It is with great admiration, appreciation, and respect that I want to thank the whole Trust community for their incredible efforts again this year. Over the next year, we look forward to continuing to do all that we can 'to help reveal wholeness by helping people to awaken to who they really are'. The work of the Psychosynthesis Trust is needed now more than ever.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Psychosynthesis and Education Trust

Trustees' Report

Statement of Trustees' Responsibilities

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

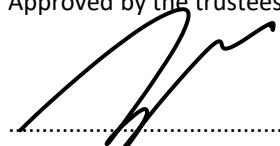
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources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

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

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

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Approved by the trustees of the charity on 28 June 2022 and signed on its behalf by:



Penny Terndrup
Trustee

Psychosynthesis and Education Trust

Independent Auditor's Report to the Members of Psychosynthesis and Education Trust

Opinion

We have audited the financial statements of Psychosynthesis and Education Trust (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note to the financial statements, 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 entity'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.

Psychosynthesis and Education Trust

Independent Auditor's Report to the Members of Psychosynthesis and Education Trust

Conclusions relating to going concern

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

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

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Psychosynthesis and Education Trust

Independent Auditor's Report to the Members of Psychosynthesis and Education Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to those standard to charitable companies, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the UK financial reporting standards, the Companies Act 2006, Charities Act 2011.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

Psychosynthesis and Education Trust

Independent Auditor's Report to the Members of Psychosynthesis and Education Trust

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Timothy Sullivan FCA (Senior Statutory Auditor)
For and on behalf of Field Sullivan Limited, Statutory Auditor

70 Royal Hill
Greenwich
SE10 8RF

Date:.....

Psychosynthesis and Education Trust

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

	Note	Unrestricted £	Total 2021 £	Unrestricted £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	47,700	47,700	15,773	15,773
Charitable activities	4	784,705	784,705	862,846	862,846
Investment income	5	17,362	17,362	65,209	65,209
Other income	6	<u>3,764</u>	<u>3,764</u>	<u>6,555</u>	<u>6,555</u>
Total income		<u>853,531</u>	<u>853,531</u>	<u>950,383</u>	<u>950,383</u>
Expenditure on:					
Charitable activities	7	<u>(975,079)</u>	<u>(975,079)</u>	<u>(928,153)</u>	<u>(928,153)</u>
Total expenditure		<u>(975,079)</u>	<u>(975,079)</u>	<u>(928,153)</u>	<u>(928,153)</u>
Net movement in funds		(121,548)	(121,548)	22,230	22,230
Reconciliation of funds					
Total funds brought forward		<u>663,522</u>	<u>663,522</u>	<u>641,292</u>	<u>641,292</u>
Total funds carried forward		<u><u>541,974</u></u>	<u><u>541,974</u></u>	<u><u>663,522</u></u>	<u><u>663,522</u></u>

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

The funds breakdown for 2020 is shown in note .

The notes on pages 15 to 25 form an integral part of these financial statements.

Psychosynthesis and Education Trust

(Registration number: 03838253)

Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	905,090	950,168
Current assets			
Debtors	14	206,696	219,144
Cash at bank and in hand	15	<u>408,836</u>	<u>495,040</u>
		615,532	714,184
Creditors: Amounts falling due within one year	16	<u>(601,786)</u>	<u>(578,496)</u>
Net current assets		<u>13,746</u>	<u>135,688</u>
Total assets less current liabilities		918,836	1,085,856
Creditors: Amounts falling due after more than one year	17	<u>(376,862)</u>	<u>(422,334)</u>
Net assets		<u>541,974</u>	<u>663,522</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>541,974</u>	<u>663,522</u>
Total funds		<u>541,974</u>	<u>663,522</u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard applicable in the UK and republic of Ireland (FRS102) (effective 1 January 2019).

The financial statements on pages 12 to 25 were approved by the trustees, and authorised for issue on 28 June 2022 and signed on their behalf by:

.....
Penny Terndrup
Trustee

The notes on pages 15 to 25 form an integral part of these financial statements.

Psychosynthesis and Education Trust

Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (expenditure)/income		(121,548)	22,230
Adjustments to cash flows from non-cash items			
Depreciation		45,080	54,901
Investment income	5	<u>(17,362)</u>	<u>(65,209)</u>
		(93,830)	11,922
Working capital adjustments			
Decrease/(increase) in debtors	14	12,448	(173,029)
Decrease in creditors	16	(6,790)	(7,869)
Increase in deferred income	17	<u>28,722</u>	<u>140,108</u>
Net cash flows from operating activities		<u>(59,450)</u>	<u>(28,868)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	17,360	65,208
Purchase of tangible fixed assets	13	<u>-</u>	<u>(42,000)</u>
Net cash flows from investing activities		<u>17,360</u>	<u>23,208</u>
Cash flows from financing activities			
Repayment of loans and borrowings	16	(35,715)	(33,728)
Repayment of capital element of finance leases and HP contracts	18	<u>(8,399)</u>	<u>35,701</u>
Net cash flows from financing activities		<u>(44,114)</u>	<u>1,973</u>
Net decrease in cash and cash equivalents		(86,204)	(3,687)
Cash and cash equivalents at 1 September		<u>495,040</u>	<u>498,727</u>
Cash and cash equivalents at 31 August		<u><u>408,836</u></u>	<u><u>495,040</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 25 form an integral part of these financial statements.

Psychosynthesis and Education Trust

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

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

92-94 Tooley Street

London

SE1 2TH

These financial statements were authorised for issue by the trustees on 28 June 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102) - Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Psychosynthesis and Education Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

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

Psychosynthesis and Education Trust

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

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimate is revised where revisions affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

Income and endowments

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

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Psychosynthesis and Education Trust

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

Taxation

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

Tangible fixed assets

Individual fixed assets costing £400.00 or more are initially recorded at cost.

Depreciation and amortisation

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

Asset class	Depreciation method and rate
Plant & Machinery	10 years straight line
Fixtures & Fittings	4 years straight line
Office Equipment	4 years straight line
Freehold Property	50 years straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

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

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Psychosynthesis and Education Trust

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

Borrowings

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

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

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

Fund structure

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

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are capitalised in the balance sheet as tangible fixed assets and are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. Lease payments are charged to the Statement of Financial Activities and are apportioned between finance costs and the reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability

The interest element of the rental obligation is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Psychosynthesis and Education Trust

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

3 Income from donations and legacies

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Grants, including capital grants;			
Job retention scheme grant	32,164	32,164	15,773
Grants from local council	15,536	15,536	-
	<u>47,700</u>	<u>47,700</u>	<u>15,773</u>

4 Income from charitable activities

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Book sales	47	47	200
Programmes and courses	647,330	647,330	555,521
Counselling services	115,398	115,398	76,777
Room rental	21,930	21,930	230,348
	<u>784,705</u>	<u>784,705</u>	<u>862,846</u>

5 Investment income

	Unrestricted		
	funds	Total	Total
	General	2021	2020
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	237	237	1,348
Income from rents	17,125	17,125	63,861
	<u>17,362</u>	<u>17,362</u>	<u>65,209</u>

6 Other income

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Other income	<u>3,764</u>	<u>3,764</u>	<u>6,555</u>

Psychosynthesis and Education Trust

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

7 Expenditure on charitable activities

		Unrestricted	Total	Total
	Note	General	2021	2020
		£	£	£
Bursaries		835	835	1,300
Trainers fees		294,104	294,104	231,881
Staff costs not PAYE		1,356	1,356	1,673
Advertising		728	728	2,046
Legal and professional fees		2,118	2,118	-
Allocated support costs	8	1,928	1,928	1,446
Support costs	8	674,010	674,010	689,807
		<u>975,079</u>	<u>975,079</u>	<u>928,153</u>

In addition to the expenditure analysed above, there are also support costs of £674,010 (2020 - £689,807) which relate directly to charitable activities. See note 8 for further details.

Psychosynthesis and Education Trust

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

8 Analysis of support costs

Support costs

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Staff costs			
Wages and salaries	408,239	408,239	369,269
Social security costs	32,788	32,788	29,590
Pension costs	9,327	9,327	5,390
Rates, utilities and insurance	35,420	35,420	44,317
Repairs, maintenance and cleaning	27,533	27,533	45,270
Postage and telephone	11,168	11,168	7,352
Computer consumables	29,743	29,743	30,471
Printing and stationery	13	13	4,626
Sundries	11,076	11,076	15,726
The audit of the charity's annual accounts	8,868	8,868	8,200
Consultancy	32,343	32,343	44,931
Bad debts	5,326	5,326	6,620
Interest and bank charges	17,087	17,087	23,144
Depreciation of plant and machinery	45,079	45,079	54,901
	<u>674,010</u>	<u>674,010</u>	<u>689,807</u>

Psychosynthesis and Education Trust

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

9 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Audit fees	7,368	6,700
Other non-audit services	1,500	1,500
Depreciation of fixed assets	<u>36,680</u>	<u>48,602</u>

10 Trustees remuneration and expenses

No trustees (2020: 5) received reimbursement for travel expenses incurred on behalf of the charity of £nil (2020: £668).

1 trustee (2020: 1) received £10,205 for additional training work carried out (2020: £5,873 for additional training work carried out).

11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	408,239	369,269
Social security costs	32,788	29,590
Pension costs	<u>9,327</u>	<u>5,390</u>
	<u>450,354</u>	<u>404,249</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Charitable activities	<u>16</u>	<u>14</u>

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

The total employee benefits of the key management personnel of the charity were £107,818 (2020 - £Nil).

Psychosynthesis and Education Trust

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

12 Taxation

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

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2020	<u>1,137,779</u>	<u>333,478</u>	<u>1,471,257</u>
At 31 August 2021	<u>1,137,779</u>	<u>333,478</u>	<u>1,471,257</u>
Depreciation			
At 1 September 2020	352,016	169,071	521,087
Charge for the year	<u>12,756</u>	<u>32,324</u>	<u>45,080</u>
At 31 August 2021	<u>364,772</u>	<u>201,395</u>	<u>566,167</u>
Net book value			
At 31 August 2021	<u><u>773,007</u></u>	<u><u>132,083</u></u>	<u><u>905,090</u></u>
At 31 August 2020	<u><u>785,763</u></u>	<u><u>164,407</u></u>	<u><u>950,170</u></u>

14 Debtors

	2021 £	2020 £
Trade debtors	195,339	189,660
Prepayments	<u>11,357</u>	<u>29,484</u>
	<u><u>206,696</u></u>	<u><u>219,144</u></u>

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	1,029	11,087
Cash at bank	<u>407,807</u>	<u>483,953</u>
	<u><u>408,836</u></u>	<u><u>495,040</u></u>

Psychosynthesis and Education Trust

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

16 Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans	36,206	34,848
Trade creditors	43,145	43,949
Other taxation and social security	9,293	-
Other creditors	1,154	1,154
Accruals	15,212	30,491
Deferred income	496,776	468,054
	<u>601,786</u>	<u>578,496</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2021	2020
	£	£
Mortgage	<u>36,206</u>	<u>34,848</u>

17 Creditors: amounts falling due after one year

	2021	2020
	£	£
Bank loans	349,560	386,633
Hire purchase and finance leases	27,302	35,701
	<u>376,862</u>	<u>422,334</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2021	2020
	£	£
Mortgage	<u>349,560</u>	<u>386,633</u>

Included in the creditors are the following amounts due after more than five years:

	2021	2020
	£	£
After more than five years by instalments	<u>190,638</u>	<u>251,605</u>

Psychosynthesis and Education Trust

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

18 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2021 £
Within one year	10,327
In two to five years	23,236
	<u>33,563</u>

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Other		
Within one year	7,697	-
Between one and five years	13,998	60,990
	<u>21,695</u>	<u>60,990</u>

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £9,327 (2020 - £5,390).

20 Covid-19

The COVID-19 pandemic continues to impact the charitable activities of the Psychosynthesis Trust through this accounting period and beyond. The work undertaken in Spring 2020 in transitioning the delivery of course education and counselling services to online platforms has enabled the Trust to not only deliver in these two services but also grow. The significant impact on revenues from the pandemic outbreak was on room hire revenues. The Trust reopened its building in September 2020 for therapy rentals in COVID-secure conditions, and has remained open since, navigating through the various local and national restrictions of 2020 through to 2021. Room hire revenues have followed a pattern in line with those restrictions, and have seen promising regrowth since all restrictions were lifted. A key focus for 2022 is to remarket this service to continue the growth trend.

In the reporting accounting period, the Trust applied and received local authority grants supporting businesses who remained open through local and national restrictions, receiving a total sum of £15,536 in ARG grants. The Trust also utilised the Job Retention Scheme and received a total sum of £35,185 in furlough JRS grants in the reporting accounting period.