

Company no. 03799698
Charity no. 1079390

**The Severnside Initiative for
Psychotherapy
Report and Unaudited Financial
Statements
31 August 2022**

The Severnside Initiative for Psychotherapy

Reference and administrative details

For the year ended 31 August 2022

| | | | | | | | | | | | | | | | |
|--|--|---------------|-----------------------|-----------------|----------------------|----------|-------|------------------|--|--------------|----------------------------|---------------|--------------------------|-----------------|-------------------------|
| Company number | 03799698 | | | | | | | | | | | | | | |
| Charity number | 1079390 | | | | | | | | | | | | | | |
| Registered office and operational address | 11 Orchard Street Bristol BS1 5EH | | | | | | | | | | | | | | |
| Trustees | <p>Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:</p> <table><tr><td>Mark Budden</td><td></td></tr><tr><td>David Bunker</td><td></td></tr><tr><td>Eva Gell</td><td>Chair</td></tr><tr><td>Lorraine Melrose</td><td></td></tr><tr><td>Hazel Millar</td><td>Appointed 12 February 2022</td></tr><tr><td>Jonathan Olds</td><td>Appointed 4 January 2022</td></tr><tr><td>Melanie Woolgar</td><td>Resigned 5 October 2021</td></tr></table> | Mark Budden | | David Bunker | | Eva Gell | Chair | Lorraine Melrose | | Hazel Millar | Appointed 12 February 2022 | Jonathan Olds | Appointed 4 January 2022 | Melanie Woolgar | Resigned 5 October 2021 |
| Mark Budden | | | | | | | | | | | | | | | |
| David Bunker | | | | | | | | | | | | | | | |
| Eva Gell | Chair | | | | | | | | | | | | | | |
| Lorraine Melrose | | | | | | | | | | | | | | | |
| Hazel Millar | Appointed 12 February 2022 | | | | | | | | | | | | | | |
| Jonathan Olds | Appointed 4 January 2022 | | | | | | | | | | | | | | |
| Melanie Woolgar | Resigned 5 October 2021 | | | | | | | | | | | | | | |
| Company secretary | <table><tr><td>Nicola Coates</td><td>Appointed 1 June 2022</td></tr><tr><td>Rebecca Johnson</td><td>Resigned 26 May 2022</td></tr></table> | Nicola Coates | Appointed 1 June 2022 | Rebecca Johnson | Resigned 26 May 2022 | | | | | | | | | | |
| Nicola Coates | Appointed 1 June 2022 | | | | | | | | | | | | | | |
| Rebecca Johnson | Resigned 26 May 2022 | | | | | | | | | | | | | | |
| Independent examiners | Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD | | | | | | | | | | | | | | |

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

Reference and administrative information set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and 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 UK and Republic of Ireland effective 1 January 2019.

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report together with the unaudited financial statements of the charity for the year ended 31 August 2022.

The charity is a private company limited by guarantee and operates under the name of The Severnside Institute for Psychotherapy (SIP). The governing documents are the Memorandum and Articles of Association.

OBJECTIVES AND ACTIVITIES

Our objects are to provide, or assist in the provision of, psychotherapeutic treatment and related services to members of the public. In the furtherance of these objects, SIP provides a range of services. It provides information on both psychoanalytic and psychodynamic psychotherapy, maintains a register of members qualified to provide it and offers a consultation and referral service for members of the community who are interested in accessing therapy. SIP also raises funds to support the provision of low-cost therapy to people unable to afford the full cost of the treatment they require.

SIP offers a range of training opportunities aimed at increasing the availability of qualified and ethical practitioners in the Southwest of England, and in Wales. SIP's professional training is accredited by the British Psychoanalytic Council (BPC) meaning that qualification in psychoanalytic psychotherapy or psychodynamic psychotherapy leads to registration with the BPC. SIP provides a safeguarding framework for its practitioners and Continuing Professional Development (CPD) opportunities in order to safeguard the public by ensuring that members work in a competent and ethical manner. These activities are undertaken after consideration of the Charity Commission's guidance on public benefit, and it is hence the opinion of the trustees that the organisation operates for the public benefit.

SIP also operates as a professional association for its members, providing opportunities for mutual support, ethical guidance, and the furtherance of their knowledge and understanding of the profession. It helps them participate in national activities concerned with the provision and regulation of psychotherapy. SIP has had sole management responsibility for 11 Orchard Street since February 2018. SIP manages the building, utilising it for its' training and CPD events as well as offering consulting room, meeting and event space to counsellors, therapists, and other therapy-related organisations.

During the 12 months up to the 31 August 2022, SIP's Building Purchase Group successfully negotiated the purchase of 11 Orchard Street. An interest-free loan allowed us to exchange on 4 July 2022, with completion taking place on 31 January 2023. Following the purchase of the building, SIP aims to raise further funds to carry out adaptations to make the building fully accessible, in turn providing a space for mental health professionals to offer in person sessions to members of the community with mobility challenges.

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

In early 2021 a Strategy Review Meeting was held and, as a result of this meeting in conjunction with consultation with SIP's members and associates, SIP's Mission statement, Values and Aims, was published on SIP's website in December 2022. This meeting also led to the establishment of a Business Planning Working Group which is due to present its findings and proposed next steps at the AGM in February 2023.

MANAGEMENT OF THE ORGANISATION

At 31 August 2022 SIP had a total of 66 members (including 4 pre-retirement members), with an additional 1 non-practising associate, 8 clinical associates, 15 student associates, 4 honorary associates and 5 co-opted associates. The membership elects a management structure, which is responsible for the running of the organisation. Since April 2016, when our new management structure was implemented, the organisation has been supported by employed staff members.

SIP's Honorary Officers were the Chair of the Executive Committee, the Head of Training, and the Chair of Membership. A significant proportion of the membership are also involved in the work of committees, giving their time voluntarily to ensure the sound running and further development of the organisation.

During the 2021-22 financial year, Olivia Baxter continued in her role as SIP's Membership & Marketing Coordinator, and Rebecca Johnson as SIP's Finance Manager, until her resignation in May 2022 with Nicola Coates appointed as SIP's Finance Manager in June 2022. Vincent Finney resigned in October 2021 as SIP's Training Coordinator, and Janet Wilkinson was appointed as SIP's Training Administrator in February 2022. During this time Olivia Baxter, with temporary administrative support, did a magnificent job of covering those roles which had become vacant.

The trustees are grateful to the honorary officers, committee members and staff who are essential to the running of the organisation. The trustees acknowledge that a huge amount of work is undertaken voluntarily in the management of the organisation and the provision of training and other services.

PERFORMANCE

The trustees have, of course, had to continue to give some thought to the impact of the COVID-19 pandemic on the charity's current and future financial position. During this financial year an insurance claim was finally settled, and we continued to update COVID guidance in December 2021 and March 2022 in line with UK Government legislation and guidance. Building occupancy (and therefore building income) had largely recovered to pre-pandemic levels by October 2021. The work of the organisation continued steadily, throughout the 12 months up to 31 August 2022, in all areas. The trustees are confident that standards of service and training have been maintained, and that SIP continues to be a viable and effective charitable organisation, well able to fulfil our charitable objectives.

As in previous years, the external environment continues to have an impact on the organisation. SIP continues to play its part as a Member Institution of the British Psychoanalytic Council.

The detailed work of the organisation is reported on in full at the AGM, but we look in brief at the main areas of activities during the year ended 31 August 2022 in the following paragraphs.

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

Training

The trustees are extremely grateful to those who have worked so hard running courses. We were without a Head of Training for 12 months up to February 2022, though various members of SIP's Training Committee stood in to continue allowing for an efficient running of the trainings. At the beginning of December 2021 Clare Harris very generously volunteered to step into this role temporarily and was co-opted as Head of Training, and then elected to post at the AGM held in February 2022.

The range of professional training courses we offer reflects the developing patterns of interest in psychoanalytically informed therapy in the broader community and indicates the ability of SIP to be malleable and responsive in pursuit of its objectives. Regular meetings are held between the Leads of all trainings, chaired by the Head of Education. The organisation is aware that running two trainings can result in a duplication of effort and resources. Accordingly, much work has continued to combine as much as possible of the teaching of the two courses whilst maintaining the relevant distinct differences. Also, the job description of the Training Administrator was altered to ensure greater efficiency and Janet Wilkinson, alongside Clare Harris, has done a difficult, but extremely useful job of rationalising the administration of the trainings.

Membership activities

Continuing Professional Development, which is a requirement of professional registration for psychoanalytic and psychodynamic psychotherapists, consists of a range of opportunities for members to enhance their understanding of psychoanalytic issues and share clinical experience. SIP provides clinical courses, as well as study days and workshops, which offer the opportunity to explore relevant topics, sometimes with outside speakers and sometimes when members are invited to give papers. Over the 12 months up to 31 August 2022, SIP hosted a number of successful CPD events, including the 31st Annual Public lecture with guest speaker Anne Alvarez, a Connecting Conversation with Sally Weintrobe and another with Mike Brearly, an online workshop presented by Donald Campbell, a Study morning with guest speaker Dr Guido Giovanardi, and a clinical seminar.

Consultation and Referral Service

Clinical services offered by members were further rationalised this year through the continued development of the Consultation and Referral Service. This is undertaken by Area Representatives covering all localities from which SIP draws members. Referrals are managed by a member of SIP's office staff. This is both important for trainees, who can build up their clinical experience, and also a contribution to public well-being at a time when such low-cost psychotherapy services are hugely in demand. Trainees offer low-cost sessions. SIP also continued to support Orchard Therapy, a pilot scheme launched in 2021, which saw a number of fully qualified SIP therapists offer free, remote therapy sessions to individuals, referred by a small pool of GPs, unable to afford therapy (even at a low-cost).

Subsidised treatment and training

SIP remains committed to the provision of subsidised treatment for those who need therapy but cannot afford full professional fees. Funds are managed and administered by the Bursary Committee and made available through the Reduced Fee Scheme, and Training Patient Bursary Fund, which supports trainees with the cost of supervision and sessions with training patients. Regular donations received from members provide an important source of funding for this work. In addition to formal subsidies, many patients benefit from reduced fees offered by individual therapists.

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

During the 12 months up to 31 August 2022, thought was given to how we may increase, our free and low-cost therapy provisions following the completion of the purchase of 11 Orchard Street, and research is ongoing as to how to achieve this in the most efficient way.

SIP continued to offer bursaries to help with the cost of fees for the introductory course, named the Iris Tute Bursaries, in remembrance of the work and generosity of a member of SIP, without whom SIP would not have its city centre home at 11 Orchard Street.

Risk management

The charity is taking the following steps to mitigate the threats that COVID-19 may pose to the organisation:

- Providing members with regular advice on best practice as recommended by the British Psychoanalytic Council. This covers such things as the use of various forms of media to obviate the need for face-to-face therapy, and where face-to-face therapy continues to be used, the health-protection measures that need to be implemented; and
- Ensuring that 11 Orchard Street remains compliant with Government and BPC recommendations on ventilation, sterilisation, social distancing and other health-related measures.

The trustees continue to follow Charity Commission advice regarding risk management and good practice and keep a register identifying major risks that apply to SIP. During this year whilst the consequences of the pandemic lessened SIP was managing many potential and actual changes. Various staff resigned and new staff were employed. Job descriptions were adapted to the changing circumstances and adapted to a growing awareness for making the organisation more effective and efficient. We were in the process of negotiating the purchase of 11 Orchard Street and allowing ourselves to begin to think about the possible future and possibilities of owning the building. Alongside this, our financial position has improved and the risks we feared from the pandemic – both financial, social, and psychological have decreased, meaning that a lot of items on the risk register have been downgraded.

At the time of writing, we are aware that we are all living in changing times, both politically and socially.

The trustees are in touch with other Member Institutions of the British Psychoanalytic Council and are well aware of the dilemmas and discussions taking place across the psychotherapy professions.

Within SIP the finances are looking healthy, the governance is much improved, and therefore we consider that the charity will continue as a going concern for at least 12 months from the date on which these financial statements are approved.

This confidence is underscored by the fact that:

- Trustees are in touch with other Member Institutions of the British Psychoanalytic Council and are well aware of the dilemmas and discussions taking place across the psychotherapy professions;
- The charity holds general fund reserves of £115,992; and
- The charity has made huge headway in its governance and is looking to increase its charity aspect and, through grants, improve the access for disabled persons.

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts.

Fees and budgets

Fees were reviewed for all elements of the training and a small increase, equating to approximately 2%, was applied to SIP's Pre- Clinical courses and Clinical training fees.

SIP's membership fees for full and pre-retirement members for the 2021-22 financial year were adjusted to include PEP-web subscription fees which, when compared to membership fees for the 2020-21 financial year, equated to a decrease in fees to acknowledge the mounting financial pressures of rising living costs. Membership fees for all other membership types remained unchanged for the 2021-22 financial year for the same reasons.

FINANCIAL REVIEW

A detailed summary of accounts for the year ended 31 August 2022, prior to revaluation of investments and transfers between funds, has been provided by the Finance Manager.

General funds (unrestricted)

In respect of general funds, SIP generates income from three main sources: subscriptions from the members, fees charged for training and courses, and room rental for psychotherapy purposes. Expenditure constitutes staffing, maintenance of the premises, expenses for committee work, fees to the British Psychoanalytic Council and fees to seminar leaders on the various courses. Budgets are drawn up to ensure that income will cover outgoing expenses and maintain a suitable reserve.

At the year end, the general fund has a total value of £115,992.

Subsidised Treatment and Training Funds (restricted)

The Subsidised Treatment and Training Funds (STTF) are comprised of two amalgamated funds: the Training Patient and Bursary Fund (TPBF) and the Reduced Fee Scheme (RFS).

The STTF fund supported the low-cost work of 12 members (including student associates), and their patients, with payments totalling £7,210.

At the year end, the Subsidised Treatment and Training Fund has a total value (primarily cash and investments) of £29,492.

At the year end, the Welsh Fund stood at £25,000.

Subsidised Treatment and Training Funds (designated)

This is a new fund and is the repository for internal transfers of SIP funds, and contains £10,000.

Building Purchase Fund (restricted)

The Building Purchase Fund is a restricted fund in which funds raised for the potential future purchase of a building for SIP are held. The value of the Building Purchase Fund at the year end was £32,640.

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

Building Purchase Fund (designated)

The Building Purchase Fund (designated) was created for the surplus from the OSTR room rental strand, with the purpose of adding to the restricted Building Purchase Fund. The designation of these funds is reversible, should SIP require the funds for other expenditure deemed more important by the trustees. The value of the designated Building Purchase Fund at the year end was £21,425.

Land and Building Funds (designated)

The amount held in Land and Buildings (to cover the deposit on 11 Orchard Street and associated capital costs such as legal fees and survey costs) at the year end was £78,790.

Total value of restricted and unrestricted funds

The total value of restricted and unrestricted funds at the year end was £288,339.

Reserves

Our policy is to hold general reserves amounting to at least 40% of the previous year's expenditure (excluding restricted funds). Our reserves at 31 August 2022 (£115,992) were at 74% and therefore the reserves at the balance sheet date meet with this requirement.

The trustees are satisfied that the books are kept in good order and the monitoring of income and expenditure within the various categories is suitably detailed.

Trustees

The Board of Trustees holds the ultimate responsibility for directing the affairs of SIP, and ensuring that it is solvent, well-run and delivering the charitable outcomes for which it has been set up. The trustees are charged with ensuring that SIP complies with charity and company law and with the requirements of the Charity Commission as regulator; in particular ensuring that SIP prepares reports on what it has achieved and annual returns and accounts as required by law. The trustees oversee and review the Executive Committee's management of SIP specifically to ensure that it meets the objectives set out in the Memorandum of Association and complies with the Articles of Association and with both charity and company law.

The Board of Trustees is elected by the membership at the Annual General Meeting.

The trustees who have served the charity from 1 September 2021 until the date on which the accounts were signed are as follows:

| | |
|------------------|----------------------------|
| Mark Budden | |
| David Bunker | |
| Eva Gell | Chair |
| Lorraine Melrose | |
| Hazel Millar | Appointed 12 February 2022 |
| Jonathan Olds | Appointed 4 January 2022 |
| Melanie Woolgar | Resigned 5 October 2021 |

The trustees continue to look for new members to join the Board to ensure an appropriate diversity and mix of talent and experience.

New trustees are found from the contacts and networks of existing trustees with an emphasis on those individuals with skills and experience which are of value to the charity.

The Severnside Initiative for Psychotherapy

Report of the trustees

For the year ended 31 August 2022

This report has been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with 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).

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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice 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 charity will continue in operation.

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

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 25 February 2023 and signed on their behalf by

Eva Gell - Chair

Independent examiner's report

To the trustees of

The Severnside Initiative for Psychotherapy

I report to the trustees on my examination of the accounts of The Severnside Initiative for Psychotherapy (the charitable company) for the year ended 31 August 2022, which are set out on pages 10 to 24.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Godfrey Wilson Limited also provides payroll services to the charitable company. I confirm that as a member of the ICAEW I am subject to the FRC's Revised Ethical Standard 2016, which I have applied with respect to this engagement.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Date: 27 February 2023

Rob Wilson FCA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Severnside Initiative for Psychotherapy

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 August 2022

| | Note | Restricted £ | Unrestricted £ | 2022 Total £ | 2021 Total £ |
|--|------|----------------------|-----------------------|------------------------------|-----------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 11,991 | 22,123 | 34,114 | 45,080 |
| Charitable activities: | | | | | |
| Training | | - | 83,927 | 83,927 | 92,468 |
| Membership | | - | 33,273 | 33,273 | 29,401 |
| Orchard Street management fund | | - | 69,804 | 69,804 | 42,077 |
| CPD and events | | 610 | 3,388 | 3,998 | 2,461 |
| Consultation and referral service | | - | 1,603 | 1,603 | 3,134 |
| Investments | | - | 842 | 842 | 968 |
| Other income | | - | 159 | 159 | 10,000 |
| Total income | | <u>12,601</u> | <u>215,119</u> | <u>227,720</u> | <u>225,589</u> |
| Expenditure on: | | | | | |
| Raising funds | | 375 | 221 | 596 | 307 |
| Charitable activities: | | | | | |
| Training | | - | 68,534 | 68,534 | 82,252 |
| Membership | | - | 22,086 | 22,086 | 21,092 |
| Orchard Street management fund | | - | 50,962 | 50,962 | 39,448 |
| CPD and events | | - | 6,241 | 6,241 | 5,014 |
| Consultation and referral service | | - | 9,753 | 9,753 | 7,972 |
| Subsidised treatment and training fund | | 11,256 | 2,963 | 14,219 | 12,881 |
| Total expenditure | 5 | <u>11,631</u> | <u>160,760</u> | <u>172,391</u> | <u>168,966</u> |
| Net gains / (losses) on investments | | <u>(1,335)</u> | <u>-</u> | <u>(1,335)</u> | <u>127</u> |
| Net income / (expenditure) | 6 | (365) | 54,359 | 53,994 | 56,750 |
| Transfers between funds | | <u>1,335</u> | <u>(1,335)</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 970 | 53,024 | 53,994 | 56,750 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | <u>61,162</u> | <u>173,183</u> | <u>234,345</u> | <u>177,595</u> |
| Total funds carried forward | | <u><u>62,132</u></u> | <u><u>226,207</u></u> | <u><u>288,339</u></u> | <u><u>234,345</u></u> |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 15 to the accounts.

The Severnside Initiative for Psychotherapy

Balance sheet

As at 31 August 2022

| | Note | £ | 2022 £ | 2021 £ |
|--|------|------------------|----------------|-----------|
| Fixed assets | | | | |
| Tangible assets | 9 | | 80,705 | 2,690 |
| Investments | 10 | | 6,919 | 8,254 |
| | | | 87,624 | 10,944 |
| Current assets | | | | |
| Debtors | 11 | 63,427 | | 66,552 |
| Cash at bank and in hand | | 257,319 | | 267,838 |
| | | 320,746 | | 334,390 |
| Liabilities | | | | |
| Creditors: amounts falling due within 1 year | 12 | (120,031) | | (110,989) |
| Net current assets | | | 200,715 | 223,401 |
| Net assets | 14 | | 288,339 | 234,345 |
| Funds | 15 | | | |
| Restricted funds | | | 62,132 | 61,162 |
| Unrestricted funds | | | | |
| Designated funds | | | 110,215 | 79,458 |
| General funds | | | 115,992 | 93,725 |
| Total charity funds | | | 288,339 | 234,345 |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

Approved by the trustees on 25 February 2023 and signed on their behalf by

Eva Gell - Chair

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in 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)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Severnside Initiative for Psychotherapy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charitable company is able to continue as a going concern. The charity holds unrestricted, general reserves of £115,992 and a cash balance of £257,319. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of training, membership and subscriptions is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

1. Accounting policies (continued)

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, being the allocation of support staff time:

| | 2022 | 2021 |
|--|------|------|
| Raising funds | 0% | 0% |
| Charitable activities: | | |
| Training | 34% | 50% |
| Membership | 24% | 18% |
| Orchard Street management fund | 13% | 10% |
| CPD and events | 7% | 5% |
| Consultation and referral service | 13% | 10% |
| Subsidised treatment and training fund | 9% | 7% |

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

| | |
|--------------------|---------|
| Computer equipment | 3 years |
|--------------------|---------|

Items are capitalised where the purchase price exceeds £500.

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

1. Accounting policies (continued)

j) Investments

Investments in quoted shares, traded bonds and similar investments are measured initially at cost and subsequently at fair value (their market value). The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

n) Financial instruments

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

o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

2. Prior period comparatives: statement of financial activities

| | Restricted £ | Unrestricted £ | 2021 Total £ |
|---|-----------------|-------------------|--------------------|
| Income from: | | | |
| Donations and legacies | 18,535 | 26,545 | 45,080 |
| Charitable activities: | | | |
| Training | - | 92,468 | 92,468 |
| Membership | - | 29,401 | 29,401 |
| Orchard Street management fund | - | 42,077 | 42,077 |
| CPD and events | - | 2,461 | 2,461 |
| Consultation and referral service | - | 3,134 | 3,134 |
| Investments | - | 968 | 968 |
| Other income | - | 10,000 | 10,000 |
| Total income | 18,535 | 207,054 | 225,589 |
| Expenditure on: | | | |
| Raising funds | - | 307 | 307 |
| Charitable activities: | | | |
| Training | - | 82,252 | 82,252 |
| Membership | - | 21,092 | 21,092 |
| Orchard Street management fund | - | 39,448 | 39,448 |
| CPD and events | - | 5,014 | 5,014 |
| Consultation and referral service | - | 7,972 | 7,972 |
| Subsidised treatment and training fund | 11,891 | 990 | 12,881 |
| Total expenditure | 11,891 | 157,075 | 168,966 |
| Net gains on investments | 127 | - | 127 |
| Net income and net movement in funds | 6,771 | 49,979 | 56,750 |

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

3. Income from donations and legacies

| | Restricted £ | Unrestricted £ | 2022 Total £ |
|---|-----------------|-------------------|--------------------|
| Donations | 11,991 | 3,623 | 15,614 |
| Gifts in kind* | - | 18,500 | 18,500 |
| Total income from donations and legacies | 11,991 | 22,123 | 34,114 |

Prior period comparative:

| | Restricted £ | Unrestricted £ | 2021 Total £ |
|---|-----------------|-------------------|--------------------|
| Donations | 18,535 | 1,241 | 19,776 |
| Grants | - | 6,804 | 6,804 |
| Gifts in kind* | - | 18,500 | 18,500 |
| Total income from donations and legacies | 18,535 | 26,545 | 45,080 |

*Gifts in kind represents the rent subsidy provided by the charity's landlord, The Lark Trust.

4. Government grants

The charitable company receives government grants, defined as emergency COVID-19 funding from Bristol City Council. The total value for such grants in the period ending 31 August 2022 was £nil (2021: £6,800).

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

5. Total expenditure

| | Raising funds £ | Training £ | Membership £ | Orchard Street management fund £ | CPD and events £ | Consultation and referral service £ | Subsidised treatment and training fund £ | Support and governance costs £ | 2022 Total £ |
|--|-----------------------|---------------|-----------------|--|------------------------|--|--|--|-----------------|
| Fundraising costs | 596 | - | - | - | - | - | - | - | 596 |
| Staff costs (note 7) | - | 14,754 | 10,358 | 5,569 | 2,841 | 5,569 | 4,010 | 4,414 | 47,515 |
| Seminar leader and freelance fees | - | 22,307 | - | 265 | 863 | 20 | - | 1,322 | 24,777 |
| Travel and subsistence | - | 1,877 | - | 15 | 63 | - | - | 39 | 1,994 |
| Event costs | - | - | - | - | - | - | - | 60 | 60 |
| Membership fees and subscriptions | - | 4,312 | 3,977 | - | - | - | - | 1,103 | 9,392 |
| Premises costs | - | 10,019 | - | 40,913 | - | - | - | 10,977 | 61,909 |
| Treatment and training subsidies | - | 394 | - | - | - | - | 7,210 | 1 | 7,605 |
| Library costs | - | 254 | - | - | - | - | - | 578 | 832 |
| Office expenses | - | 3,586 | - | 28 | 349 | - | - | 7,311 | 11,274 |
| Legal and professional | - | - | - | - | - | - | - | 4,132 | 4,132 |
| Bank charges | - | - | 6 | 8 | - | - | - | 661 | 675 |
| Depreciation | - | - | - | - | - | - | - | 1,630 | 1,630 |
| Sub-total | 596 | 57,503 | 14,341 | 46,798 | 4,116 | 5,589 | 11,220 | 32,228 | 172,391 |
| Allocation of support and governance costs | - | 11,031 | 7,745 | 4,164 | 2,125 | 4,164 | 2,999 | (32,228) | - |
| Total expenditure | 596 | 68,534 | 22,086 | 50,962 | 6,241 | 9,753 | 14,219 | - | 172,391 |

Total governance costs were £2,621 (2021: £2,855).

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

5. Total expenditure

| Prior year comparative | Raising funds £ | Training £ | Membership £ | Orchard Street management fund £ | CPD and events £ | Consultation and referral service £ | Subsidised treatment and training fund £ | Support and governance costs £ | 2020 Total £ |
|--|--------------------|---------------|-----------------|-------------------------------------|---------------------|--|---|-----------------------------------|-----------------|
| Fundraising costs | 307 | - | - | - | - | - | - | - | 307 |
| Staff costs (note 7) | - | 27,101 | 9,746 | 5,233 | 2,709 | 5,233 | 3,791 | 3,431 | 57,244 |
| Seminar leader and freelance fees | - | 28,896 | - | 43 | 790 | 30 | - | 2,672 | 32,431 |
| Travel and subsistence | - | - | - | 22 | - | - | - | 8 | 30 |
| Membership fees and subscriptions | - | 1,749 | 6,273 | - | - | - | - | 1,680 | 9,702 |
| Premises costs | - | 9,990 | - | 31,429 | - | - | - | 9,155 | 50,574 |
| Treatment and training subsidies | - | - | - | - | - | - | 7,128 | - | 7,128 |
| Library costs | - | - | - | - | - | - | - | 688 | 688 |
| Office expenses | - | 489 | 29 | 12 | 113 | - | - | 5,223 | 5,866 |
| Legal and professional | - | - | - | - | - | - | - | 3,183 | 3,183 |
| Bank charges | - | - | - | - | - | - | - | 468 | 468 |
| Depreciation | - | - | - | - | - | - | - | 1,345 | 1,345 |
| Sub-total | 307 | 68,225 | 16,048 | 36,739 | 3,612 | 5,263 | 10,919 | 27,853 | 168,966 |
| Allocation of support and governance costs | - | 14,027 | 5,044 | 2,709 | 1,402 | 2,709 | 1,962 | (27,853) | - |
| Total expenditure | 307 | 82,252 | 21,092 | 39,448 | 5,014 | 7,972 | 12,881 | - | 168,966 |

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

6. Net movement in funds

This is stated after charging:

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Depreciation | 1,630 | 1,345 |
| Operating lease payments | 18,615 | 18,615 |
| Trustees' remuneration | Nil | Nil |
| Trustees' reimbursed expenses | Nil | Nil |
| Independent examiner's remuneration | | |
| ▪ Independent examination (including VAT) | 2,100 | 1,980 |
| ▪ Other services (including VAT) | 319 | 227 |

7. Staff costs and numbers

Staff costs were as follows:

| | 2022 £ | 2021 £ |
|-----------------------|---------------|---------------|
| Salaries and wages | 45,773 | 55,768 |
| Social security costs | - | 87 |
| Pension costs | 1,742 | 1,389 |
| | <u>47,515</u> | <u>57,244</u> |

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the trustees. The total employee benefits of the key management personnel were £Nil (2021: £Nil).

Staff numbers were as follows:

| | 2022 No. | 2021 No. |
|-----------------------|-------------|-------------|
| Average head count | <u>2.7</u> | <u>3.0</u> |
| Full time equivalents | <u>2.0</u> | <u>2.1</u> |

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

| 9. Tangible fixed assets | Computer equipment £ | Land and buildings £ | Total £ |
|---------------------------------|----------------------------|----------------------------|----------------------------|
| Cost | | | |
| At 1 September 2021 | 4,035 | - | 4,035 |
| Additions in year | <u>855</u> | <u>78,790</u> | <u>79,645</u> |
| At 31 August 2022 | <u>4,890</u> | <u>78,790</u> | <u>83,680</u> |
| Depreciation | | | |
| At 1 September 2021 | 1,345 | - | 1,345 |
| Charge for the year | <u>1,630</u> | <u>-</u> | <u>1,630</u> |
| At 31 August 2022 | <u>2,975</u> | <u>-</u> | <u>2,975</u> |
| Net book value | | | |
| At 31 August 2022 | <u>1,915</u> | <u>78,790</u> | <u>80,705</u> |
| At 31 August 2021 | <u><u>2,690</u></u> | <u><u>-</u></u> | <u><u>2,690</u></u> |

10. Investments

| | 2022 £ | 2021 £ |
|----------------------------------|-----------------------|---------------------|
| Market value at 1 September | 8,254 | 8,127 |
| Unrealised gains / (losses) | <u>(1,335)</u> | <u>127</u> |
| Market value at 31 August | <u>6,919</u> | <u>8,254</u> |
| Historical cost: | | |
| At 31 August | <u>8,071</u> | <u>8,071</u> |

11. Debtors

| | 2022 £ | 2021 £ |
|----------------|----------------------|----------------------|
| Trade debtors | 52,284 | 47,878 |
| Prepayments | 6,553 | 7,435 |
| Accrued income | 3,590 | 11,239 |
| Trainee loans | <u>1,000</u> | <u>-</u> |
| | <u>63,427</u> | <u>66,552</u> |

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

12. Creditors : amounts due within 1 year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 10,012 | 3,620 |
| Accruals | 2,100 | 6,650 |
| Other taxation and social security | 1,131 | 843 |
| Deferred income (see note 13) | 105,996 | 98,868 |
| Other creditors | 792 | 1,008 |
| | <u>120,031</u> | <u>110,989</u> |

13. Deferred income

| | 2022 £ | 2021 £ |
|--------------------------|-----------------|-----------------|
| At 1 September 2021 | 98,868 | 98,761 |
| Deferred during the year | 105,996 | 98,868 |
| Released during the year | <u>(98,868)</u> | <u>(98,761)</u> |
| At 31 August 2022 | <u>105,996</u> | <u>98,868</u> |

Deferred income relates to income invoiced in advance for training courses, memberships and subscriptions.

14. Analysis of net assets between funds

| | Restricted funds £ | Designated funds £ | General funds £ | Total funds £ |
|-------------------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
| Tangible fixed assets | - | - | 80,705 | 80,705 |
| Investments | 6,919 | - | - | 6,919 |
| Current assets | 55,213 | 110,215 | 155,318 | 320,746 |
| Current liabilities | <u>-</u> | <u>-</u> | <u>(120,031)</u> | <u>(120,031)</u> |
| Net assets at 31 August 2022 | <u>62,132</u> | <u>110,215</u> | <u>115,992</u> | <u>288,339</u> |
| Prior period comparative | | | | |
| | Restricted funds £ | Designated funds £ | General funds £ | Total funds £ |
| Tangible fixed assets | - | - | 2,690 | 2,690 |
| Investments | 8,254 | - | - | 8,254 |
| Current assets | 52,908 | 79,458 | 202,024 | 334,390 |
| Current liabilities | <u>-</u> | <u>-</u> | <u>(110,989)</u> | <u>(110,989)</u> |
| Net assets at 31 August 2021 | <u>61,162</u> | <u>79,458</u> | <u>93,725</u> | <u>234,345</u> |

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

15. Movements in funds

| | At 1 September 2021 £ | Income £ | Expenditure £ | Loss on investments £ | Transfers between funds £ | At 31 August 2022 £ |
|---------------------------------|--------------------------------|----------------|------------------|-----------------------------|------------------------------------|------------------------------|
| Restricted funds | | | | | | |
| STTF | 37,159 | 3,553 | (11,220) | (1,335) | 1,335 | 29,492 |
| Building purchase fund | 24,003 | 9,048 | (411) | - | - | 32,640 |
| Total restricted funds | 61,162 | 12,601 | (11,631) | (1,335) | 1,335 | 62,132 |
| Unrestricted funds | | | | | | |
| <i>Designated funds:</i> | | | | | | |
| Building purchase fund | 79,458 | 1,517 | (760) | - | (58,790) | 21,425 |
| Land and buildings | - | - | - | - | 78,790 | 78,790 |
| STTF | - | - | - | - | 10,000 | 10,000 |
| <i>Total designated funds</i> | 79,458 | 1,517 | (760) | - | 30,000 | 110,215 |
| General funds | 93,725 | 213,602 | (160,000) | - | (31,335) | 115,992 |
| Total unrestricted funds | 173,183 | 215,119 | (160,760) | - | (1,335) | 226,207 |
| Total funds | 234,345 | 227,720 | (172,391) | (1,335) | - | 288,339 |

Purposes of restricted funds

STTF (Subsidised Treatment and Training Fund)

The Subsidised treatment and Training Funds (STTF) are comprised of two amalgamated funds: the Training Patient and Bursary fund (TPBF) and the Reduced Fee Scheme, to which The Welsh Fund was added in 2020 .

Building purchase fund

This fund is for monies raised for the purchase of 11 Orchard Street. It will now continue as a source of funds for adaptations and major repairs to the building.

Purposes of designated funds

Building purchase fund

This fund is for monies set aside from general funds surplus, for the future purchase of a building for the charity.

Land and buildings

This fund represents the net book value of land and buildings currently held in fixed assets.

STTF

For monies set aside from a surplus of general funds to support the provision of low-cost therapy by members and trainees.

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

15. Movements in funds (continued)

Purposes of transfers

Transfers to restricted funds represent the loss in investment value being absorbed by general funds rather than the STTF restricted fund.

Transfers from the designated building purchase fund to land and buildings represent expenditure on the building deposit and other incidental purchase costs, less the annual £20,000 transfer from general funds.

Transfers to the STTF designated fund represent excess monies put towards supporting low-cost therapy.

| Prior period comparative | At 1 September 2020 £ | Income £ | Expenditure £ | Gain on investments £ | Transfers between funds £ | At 31 August 2021 £ |
|---------------------------------|--------------------------------|----------------|------------------|-----------------------------|------------------------------------|------------------------------|
| Restricted funds | | | | | | |
| STTF | 45,215 | 3,708 | (11,891) | 127 | - | 37,159 |
| Building purchase fund | 9,176 | 14,827 | - | - | - | 24,003 |
| Total restricted funds | 54,391 | 18,535 | (11,891) | 127 | - | 61,162 |
| Unrestricted funds | | | | | | |
| <i>Designated funds:</i> | | | | | | |
| Building purchase fund | 59,458 | - | - | - | 20,000 | 79,458 |
| <i>Total designated funds</i> | 59,458 | - | - | - | 20,000 | 79,458 |
| General funds | 63,746 | 207,054 | (157,075) | - | (20,000) | 93,725 |
| Total unrestricted funds | 123,204 | 207,054 | (157,075) | - | - | 173,183 |
| Total funds | 177,595 | 225,589 | (168,966) | 127 | - | 234,345 |

16. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

| | 2022 £ | 2021 £ |
|---------------------|--------------|---------------|
| Amount falling due: | | |
| Within 1 year | 7,708 | 18,615 |
| Within 1 - 5 years | - | 7,708 |
| | 7,708 | 26,323 |

The Severnside Initiative for Psychotherapy

Notes to the financial statements

For the year ended 31 August 2022

17. Related party transactions

Mark Budden and Eva Gell, trustees, provide teaching services on the training courses provided by the charitable company. They received payments totalling £669 and £530 respectively (2021: £1,564 and £1,648) for teaching fees. Neither trustee received payments in their capacity as trustees. No amounts were owing at 31 August 2022 (2021: £Nil).

18. Capital commitments

At 31 August 2022, The Severnside Initiative for Psychotherapy had committed to the purchase of land and buildings at 11 Orchard Street, Bristol. Non-refundable costs have been recognised in the year to 31 August 2022, with a balance of £78,790 being held in fixed assets, including a deposit of £60,000. The total purchase price (excluding legal and survey costs) is £600,000, £450,000 of which is funded via an interest-free loan.

Contracts were exchanged on 4 July 2022, with completion taking place on 31 January 2023.