

Company no. 03799698  
Charity no. 1079390

**The Severnside Initiative for  
Psychotherapy  
Report and Unaudited Financial  
Statements  
31 August 2023**

## **The Severnside Initiative for Psychotherapy**

### **Reference and administrative details**

**For the year ended 31 August 2023**

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<b>Company number</b>	03799698																
<b>Charity number</b>	1079390																
<b>Registered office and operational address</b>	11 Orchard Street Bristol BS1 5EH																
<b>Trustees</b>	<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>(resigned 25 February 2023)</td></tr><tr><td>David Bunker</td><td>(resigned 25 February 2023)</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></td></tr><tr><td>Stephen Poland</td><td>(appointed 20 October 2023)</td></tr><tr><td>Deborah Spaul</td><td>(appointed 20 October 2023)</td></tr><tr><td>Jonathan Olds</td><td></td></tr></table>	Mark Budden	(resigned 25 February 2023)	David Bunker	(resigned 25 February 2023)	Eva Gell	Chair	Lorraine Melrose		Hazel Millar		Stephen Poland	(appointed 20 October 2023)	Deborah Spaul	(appointed 20 October 2023)	Jonathan Olds	
Mark Budden	(resigned 25 February 2023)																
David Bunker	(resigned 25 February 2023)																
Eva Gell	Chair																
Lorraine Melrose																	
Hazel Millar																	
Stephen Poland	(appointed 20 October 2023)																
Deborah Spaul	(appointed 20 October 2023)																
Jonathan Olds																	
<b>Company secretary</b>	Nicola Coates																
<b>Independent examiners</b>	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 2023**

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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 2023.

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. Our Mission Statement is: *to improve the mental health of individuals and the community by promoting psychoanalytic thinking and the practice of psychoanalytic and psychodynamic psychotherapy, and by providing high quality education, and professional training.*

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 purchased 11 Orchard Street from the Lark Trust on 31 January 2023. In consequence, SIP now manages the building and is responsible for its maintenance. The building is used for SIP's training courses and for CPD events, alongside providing consulting room, meeting and event space to counsellors, therapists, and other therapy-related organisations. SIP is clear that its first aim on becoming the building's owner is to raise further funds to carry out adaptations to make the building fully accessible, providing a space for mental health professionals to offer in-person sessions to members of the community with mobility challenges. At our AGM in February 2023, it was agreed to *work towards establishing an efficient and effective clinic drawing on expressed enthusiasm from members of SIP*. As a consequence a working party was set up chaired by Ally Kessler.

## **The Severnside Initiative for Psychotherapy**

### **Report of the trustees**

**For the year ended 31 August 2023**

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#### **MANAGEMENT OF THE ORGANISATION**

At 31 August 2023 SIP had a total of 64 full members (plus 4 pre-retirement members), with an additional 2 non-practising associates, 9 clinical associates, 17 student associates, 4 honorary associates and 4 co-opted associates.

The business of SIP as a charitable company is managed by the Executive Committee, the Board of Trustees and the Ethics Committee. Nicky Coates continues as Finance Manager and Company Secretary. Mike Keating became our first employed Head of Training and Education (HoT&E) in January 2023, and in May 2023 Georgina Holt replaced Janet Wilkinson as Training Administrator. Olivia Baxter's role changed in December 2022 to Office and Operations Manager (OOM). Clare Harris performs a freelance role as Building Overseer.

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. 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.

Sadly, during this year, we lost two long standing Trustees in Mark Budden and David Bunker. Both of them had done so much work in managing the purchasing of the building, and Mark also organised two plaques to commemorate the relationship between SIP and ACPS, who originally shared the use of Orchard Street.

#### **PERFORMANCE**

During this year the work of the organisation has continued steadily whilst adapting to the changes brought about by the purchase of Orchard Street and the establishment of more employed staff and its consequences on management procedures. Various changes were also made to the Rules and Bylaws in accordance. 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.

A successful Open Day was held in April 2023 to celebrate the purchase of the building.

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 2023 in the following paragraphs.

#### **Training**

The trustees are extremely grateful to those who have worked so hard running courses and being members of the various training committees. Clare Harris, who was elected Chair of Training in February 2022 continued in the volunteer post working towards establishing the paid HoT&E post in February 2023. She also continued to combine as much as possible the teaching of the two Clinical courses whilst maintaining their relevant differences.

## **The Severnside Initiative for Psychotherapy**

### **Report of the trustees**

#### **For the year ended 31 August 2023**

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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. A curriculum group, led by Kathy Laurie, has also updated the recommended reading lists taking into account ethnicity, racism, gender and diversity issues. The pre-clinical courses were renamed Foundations of Psychoanalytic Theory and Practice in order to target a wider and more diverse community.

SIP was reaccredited by the BPC in December 2022 and the feedback from them was very positive.

#### **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 2023, SIP hosted a number of successful CPD events. These included the 32nd Annual Public lecture with guest speaker Graham Music, a Connecting Conversation with Sabba Khan, a Study morning with guest speaker Conor McCormack, and a clinical seminar from a SIP member.

#### **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 important for trainees, who can build up their clinical experience by providing low-cost sessions, and also makes a contribution to public well-being at a time when affordable psychotherapy services are hugely in demand. SIP also continued to support Orchard Therapy, a pilot scheme launched in 2021, which saw a number of fully qualified SIP therapists offer 10 free remote therapy sessions to individuals unable to afford therapy (even at a low cost), who were referred by a small group of GPs.

#### **Subsidised treatment and training (STTF)**

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.

During the 12 months to 31 August 2023, thought was given to how we might increase our free and low-cost therapy provisions following the completion of the purchase of 11 Orchard Street. £10,000 of the previous year's surplus from training provision was transferred to the STTF, and during the year it was agreed that the STTF should no longer shoulder a share of SIP's salary and running costs. It was also agreed that any surplus generated by Orchard Street Therapy Rooms (OSTR) should be divided between the STTF and the Building Improvement Fund.

SIP continued to offer bursaries to help with the cost of fees for the Foundations courses, 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.

## **The Severnside Initiative for Psychotherapy**

### **Report of the trustees**

#### **For the year ended 31 August 2023**

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##### **Risk management**

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.

A safeguarding policy was drawn up by Ben James to cover SIP as an organisation, which sits alongside that produced by the BPC which relates to the safeguarding of individuals. As part of risk management, we have paid someone to oversee the safety and maintenance of the building, as well as working towards the disability adaptations.

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 £113,751; 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 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 an increase, equating to approximately 5%, was applied to fees for SIP's Clinical courses. Pre-Clinical and Introductory fees increased by around 10%, as did the amounts paid to freelance staff conducting the training.

SIP's membership fees increased by approximately 5%, below inflation, which was intended to go some way towards meeting the organisation's rising costs, while acknowledging that costs were also increasing rapidly for our members.

## **FINANCIAL REVIEW**

A detailed summary of accounts for the year ended 31 August 2023, 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 £113,751.

## **The Severnside Initiative for Psychotherapy**

### **Report of the trustees**

#### **For the year ended 31 August 2023**

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##### **Subsidised Treatment and Training Fund (restricted)**

The Subsidised Treatment and Training Fund (STTF) is comprised of two amalgamated funds: the Training Patient and Bursary Fund (TPBF) and the Reduced Fee Scheme (RFS) to which The Welsh Fund was added in 2020.

The STTF fund supported the low-cost work of 10 members (including student associates), and their patients, with payments totalling £7,641.

At the year end, the Subsidised Treatment and Training Fund (restricted) had a total value of £25,276, £25,000 of which is earmarked for the Welsh Bursary Fund.

##### **Subsidised Treatment and Training Fund (designated)**

This is the repository for internal transfers of SIP funds, and contained £13,698 after the transfer from the OSTR surplus.

##### **Building Improvement Fund (restricted)**

This fund is for monies raised for future improvements of 11 Orchard Street since its purchase. Its value at the year end was £1,957.

##### **Building Improvement Fund (designated)**

This fund is for monies set aside from general funds surplus, for planned improvements of 11 Orchard Street, which include making the building more accessible. The designation of these funds is reversible, should SIP require the funds for other expenditure deemed more important by the trustees. Its value at the year end was £22,971.

##### **Land and Building Funds (designated)**

The amount held in Land and Buildings (to cover the capital costs of the purchase of 11 Orchard Street) at the year end was £171,746.

##### **Total value of restricted and unrestricted funds**

The total value of restricted and unrestricted funds at the year end was £349,399.

##### **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 31st August 2023 (£113,751) were at 66% 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 Severnside Initiative for Psychotherapy**

### **Report of the trustees**

#### **For the year ended 31 August 2023**

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

The Trustees who have served the charity from 1st September 2022 until the date on which the accounts were signed, are listed at the beginning of this report.

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 9 March 2024 and signed on their behalf by

*Eva Gell*

Eva Gell - Chair



## **Independent examiner's report**

### **To the trustees of**

#### **The Severnside Initiative for Psychotherapy**

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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 2023, which are set out on pages 9 to 25.

#### **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.

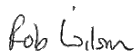
#### **Independent examiner's statement**

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: 9 March 2024

**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 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
<b>Income from:</b>					
Donations and legacies	3	31,985	7,704	<b>39,689</b>	34,114
Charitable activities:					
Training		-	86,111	<b>86,111</b>	83,927
Membership		-	21,556	<b>21,556</b>	33,273
Orchard Street management fund		-	83,795	<b>83,795</b>	69,804
CPD and events		-	4,352	<b>4,352</b>	3,998
Consultation and referral service		-	2,005	<b>2,005</b>	1,603
Investments		733	566	<b>1,299</b>	842
Other income		-	-	-	159
<b>Total income</b>		<u>32,718</u>	<u>206,089</u>	<u><b>238,807</b></u>	<u>227,720</u>
<b>Expenditure on:</b>					
Raising funds		-	505	<b>505</b>	596
Charitable activities:					
Training		-	77,383	<b>77,383</b>	68,534
Membership		-	18,683	<b>18,683</b>	22,086
Orchard Street management fund		-	50,403	<b>50,403</b>	50,962
CPD and events		-	10,355	<b>10,355</b>	6,241
Consultation and referral service		-	7,916	<b>7,916</b>	9,753
Subsidised treatment and training fund		7,641	4,340	<b>11,981</b>	14,219
<b>Total expenditure</b>	5	<u>7,641</u>	<u>169,585</u>	<u><b>177,226</b></u>	<u>172,391</u>
Net gains / (losses) on investments		<u>(521)</u>	<u>-</u>	<u><b>(521)</b></u>	<u>(1,335)</u>
<b>Net income / (expenditure)</b>	6	24,556	36,504	<b>61,060</b>	53,994
Transfers between funds		<u>(59,455)</u>	<u>59,455</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(34,899)	95,959	61,060	53,994
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>62,132</u>	<u>226,207</u>	<u><b>288,339</b></u>	<u>234,345</u>
<b>Total funds carried forward</b>		<u><u>27,233</u></u>	<u><u>322,166</u></u>	<u><u><b>349,399</b></u></u>	<u><u>288,339</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 16 to the accounts.

## The Severnside Initiative for Psychotherapy

### Balance sheet

As at 31 August 2023

	Note	£	2023 £	2022 £
<b>Fixed assets</b>				
Tangible assets	9		<b>610,794</b>	80,705
Investments	10		<u>-</u>	<u>6,919</u>
			<b>610,794</b>	87,624
<b>Current assets</b>				
Debtors	11	<b>64,597</b>		63,427
Cash at bank and in hand		<b>232,886</b>		<u>257,319</u>
		<b>297,483</b>		320,746
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	12	<b>(144,503)</b>		<u>(120,031)</u>
<b>Net current assets</b>			<b>152,980</b>	200,715
<b>Total assets less current liabilities</b>			<b>763,774</b>	288,339
Creditors: amounts falling due after more than 1 year	14		<b>(414,375)</b>	-
<b>Net assets</b>	15		<b>349,399</b>	<u>288,339</u>
<b>Funds</b>	16			
Restricted funds			<b>27,233</b>	62,132
Unrestricted funds				
Designated funds			<b>208,415</b>	110,215
General funds			<b>113,751</b>	<u>115,992</u>
<b>Total charity funds</b>			<b>349,399</b>	<u>288,339</u>

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.

## **The Severnside Initiative for Psychotherapy**

### **Balance sheet**

**As at 31 August 2023**

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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 9 March 2024 and signed on their behalf by

*Eva Gell*

Eva Gell - Chair

## **The Severnside Initiative for Psychotherapy**

### **Notes to the financial statements**

**For the year ended 31 August 2023**

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#### **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 £113,751 and a cash balance of £232,866. 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 2023

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#### 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:

	2023	2022
Raising funds	0%	0%
Charitable activities:		
Training	53%	34%
Membership	14%	24%
Orchard Street management fund	14%	13%
CPD and events	6%	7%
Consultation and referral service	8%	13%
Subsidised treatment and training fund	5%	9%

##### 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
Land and buildings	50 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 2023**

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#### **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 2023

### 2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2022 Total £
<b>Income from:</b>			
Donations and legacies	11,991	22,123	34,114
Charitable activities:			
Training	-	83,927	83,927
Membership	-	33,273	33,273
Orchard Street management fund	-	69,804	69,804
CPD and events	610	3,388	3,998
Consultation and referral service	-	1,603	1,603
Investments	-	842	842
Other income	-	159	159
<b>Total income</b>	<b>12,601</b>	<b>215,119</b>	<b>227,720</b>
<b>Expenditure on:</b>			
Raising funds	375	221	596
Charitable activities:			
Training	-	68,534	68,534
Membership	-	22,086	22,086
Orchard Street management fund	-	50,962	50,962
CPD and events	-	6,241	6,241
Consultation and referral service	-	9,753	9,753
Subsidised treatment and training fund	11,256	2,963	14,219
<b>Total expenditure</b>	<b>11,631</b>	<b>160,760</b>	<b>172,391</b>
Net losses on investments	(1,335)	-	(1,335)
<b>Net income / (expenditure)</b>	<b>(365)</b>	<b>54,359</b>	<b>53,994</b>
<b>Transfers between funds</b>	<b>1,335</b>	<b>(1,335)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>970</b>	<b>53,024</b>	<b>53,994</b>



## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

For the year ended 31 August 2023

#### 3. Income from donations and legacies

	Restricted £	Unrestricted £	2023 Total £
Donations	5,985	10	<b>5,995</b>
Gifts in kind*	-	7,694	<b>7,694</b>
Grants	<u>26,000</u>	<u>-</u>	<b><u>26,000</u></b>
<b>Total income from donations and legacies</b>	<b><u>31,985</u></b>	<b><u>7,704</u></b>	<b><u>39,689</u></b>

#### Prior period comparative:

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

\*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 2023 was £nil (2022: £6,800).

## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

For the year ended 31 August 2023

#### 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 £	2023 Total £
Fundraising costs	505	-	-	-	-	-	-	-	505
Staff costs (note 7)	-	31,629	8,366	8,500	3,595	4,984	2,780	8,442	68,296
Seminar leader and freelance fees	-	20,103	159	880	-	135	-	-	21,277
Travel and subsistence	-	1,620	-	42	544	-	-	21	2,227
Event costs	-	71	184	-	4,121	-	-	-	4,376
Membership fees and subscriptions	-	1,638	5,120	-	-	-	-	2,926	9,684
Premises costs	-	3,317	-	29,016	-	-	-	8,213	40,546
Treatment and training subsidies	-	216	-	-	-	-	7,641	-	7,857
Library costs	-	-	-	-	-	-	-	1,741	1,741
Office expenses	-	453	158	9	77	-	-	5,687	6,384
Legal and professional	-	583	-	-	-	-	-	3,786	4,369
Bank charges	-	-	-	-	-	-	-	206	206
Depreciation	-	-	-	7,184	-	-	-	2,574	9,758
<b>Sub-total</b>	<b>505</b>	<b>59,630</b>	<b>13,987</b>	<b>45,631</b>	<b>8,337</b>	<b>5,119</b>	<b>10,421</b>	<b>33,596</b>	<b>177,226</b>
Allocation of support and governance costs	-	17,753	4,696	4,772	2,018	2,797	1,560	(33,596)	-
<b>Total expenditure</b>	<b>505</b>	<b>77,383</b>	<b>18,683</b>	<b>50,403</b>	<b>10,355</b>	<b>7,916</b>	<b>11,981</b>	<b>-</b>	<b>177,226</b>

Total governance costs were £5,739 (2022: £2,621).

## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

For the year ended 31 August 2023

#### 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 £	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
<b>Sub-total</b>	<b>596</b>	<b>57,503</b>	<b>14,341</b>	<b>46,798</b>	<b>4,116</b>	<b>5,589</b>	<b>11,220</b>	<b>32,228</b>	<b>172,391</b>
Allocation of support and governance costs	-	11,031	7,745	4,164	2,125	4,164	2,999	(32,228)	-
<b>Total expenditure</b>	<b>596</b>	<b>68,534</b>	<b>22,086</b>	<b>50,962</b>	<b>6,241</b>	<b>9,753</b>	<b>14,219</b>	<b>-</b>	<b>172,391</b>

## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

#### For the year ended 31 August 2023

##### 6. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	9,758	1,630
Operating lease payments	7,708	18,615
Trustees' remuneration	605	1,199
Trustees' reimbursed expenses	Nil	Nil
Independent examiner's remuneration		
▪ Independent examination (excluding VAT)	1,900	1,750
▪ Other services (excluding VAT)	264	266

Trustees' remuneration is disclosed in note 18.

##### 7. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	65,711	45,773
Pension costs	2,585	1,742
	<u>68,296</u>	<u>47,515</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 (2022: £Nil).

Staff numbers were as follows:

	2023 No.	2022 No.
Average head count	<u>3.8</u>	<u>2.7</u>
Full time equivalents	<u>2.3</u>	<u>2.0</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 2023

9. Tangible fixed assets	Computer equipment £	Land and buildings £	Total £
<b>Cost</b>			
At 1 September 2022	4,890	78,790	<b>83,680</b>
Additions in year	<u>2,832</u>	<u>537,015</u>	<u><b>539,847</b></u>
At 31 August 2023	<u>7,722</u>	<u>615,805</u>	<u><b>623,527</b></u>
<b>Depreciation</b>			
At 1 September 2022	2,975	-	<b>2,975</b>
Charge for the year	<u>2,574</u>	<u>7,184</u>	<u><b>9,758</b></u>
At 31 August 2023	<u>5,549</u>	<u>7,184</u>	<u><b>12,733</b></u>
<b>Net book value</b>			
<b>At 31 August 2023</b>	<u><b>2,173</b></u>	<u><b>608,621</b></u>	<u><b>610,794</b></u>
At 31 August 2022	<u>1,915</u>	<u>78,790</u>	<u><b>80,705</b></u>

## 10. Investments

	2023 £	2022 £
Market value at 1 September 2022	<b>6,919</b>	8,254
Unrealised gains / (losses)	<b>(521)</b>	(1,335)
Disposals	<u><b>(6,398)</b></u>	<u>-</u>
<b>Market value at 31 August 2023</b>	<u><b>-</b></u>	<u><b>6,919</b></u>

## 11. Debtors

	2023 £	2022 £
Trade debtors	<b>53,417</b>	52,284
Prepayments	<b>9,852</b>	6,553
Accrued income	<b>328</b>	3,590
Trainee loans	<u><b>1,000</b></u>	<u>1,000</u>
	<u><b>64,597</b></u>	<u><b>63,427</b></u>

## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

#### For the year ended 31 August 2023

##### 12. Creditors : amounts due within 1 year

	2023 £	2022 £
Trade creditors	11,729	10,012
Accruals	2,280	2,100
Other taxation and social security	2,113	1,131
Deferred income (see note 13)	105,012	105,996
Other creditors	869	792
Loans	22,500	-
	<u>144,503</u>	<u>120,031</u>

##### 13. Deferred income

	2023 £	2022 £
At 1 September 2022	105,996	98,868
Deferred during the year	105,012	105,996
Released during the year	(105,996)	(98,868)
At 31 August 2023	<u>105,012</u>	<u>105,996</u>

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

##### 14. Creditors : amounts falling due after more than 1 year

	2023 £	2022 £
Loans	<u>414,375</u>	<u>-</u>

The loan is a 20 year loan from for purchase of 11 Orchard Street, secured by a fixed charge over the property. The loan commenced in 2023 and is repayable at £22,500 per annum. No interest is charged.

# The Severnside Initiative for Psychotherapy

## Notes to the financial statements

For the year ended 31 August 2023

### 15. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	608,621	2,173	<b>610,794</b>
Current assets	27,233	36,669	233,581	<b>297,483</b>
Current liabilities	-	(22,500)	(122,003)	<b>(144,503)</b>
Non-current liabilities	-	(414,375)	-	<b>(414,375)</b>
<b>Net assets at 31 August 2023</b>	<b><u>27,233</u></b>	<b><u>208,415</u></b>	<b><u>113,751</u></b>	<b><u>349,399</u></b>
<b>Prior period comparative</b>				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	78,790	1,915	80,705
Investments	6,919	-	-	6,919
Current assets	55,213	31,425	234,108	320,746
Current liabilities	-	-	(120,031)	(120,031)
<b>Net assets at 31 August 2022</b>	<b><u>62,132</u></b>	<b><u>110,215</u></b>	<b><u>115,992</u></b>	<b><u>288,339</u></b>

## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

For the year ended 31 August 2023

#### 16. Movements in funds

	At 1 September 2022 £	Income £	Expenditure £	Loss on investments £	Transfers between funds £	At 31 August 2023 £
<b>Restricted funds</b>						
Building improvement fund	-	1,957	-	-	-	<b>1,957</b>
Building purchase fund	32,640	27,336	-	-	(59,976)	-
STTF	29,492	3,425	(7,641)	(521)	521	<b>25,276</b>
<b>Total restricted funds</b>	<b>62,132</b>	<b>32,718</b>	<b>(7,641)</b>	<b>(521)</b>	<b>(59,455)</b>	<b>27,233</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Building improvement fund	-	-	-	-	22,971	<b>22,971</b>
Building purchase fund	21,425	566	-	-	(21,991)	-
Land and buildings	78,790	-	(7,184)	-	100,140	<b>171,746</b>
STTF	10,000	-	-	-	3,698	<b>13,698</b>
<i>Total designated funds</i>	<b>110,215</b>	<b>566</b>	<b>(7,184)</b>	<b>-</b>	<b>104,818</b>	<b>208,415</b>
General funds	115,992	205,523	(162,401)	-	(45,363)	<b>113,751</b>
<b>Total unrestricted funds</b>	<b>226,207</b>	<b>206,089</b>	<b>(169,585)</b>	<b>-</b>	<b>59,455</b>	<b>322,166</b>
<b>Total funds</b>	<b>288,339</b>	<b>238,807</b>	<b>(177,226)</b>	<b>(521)</b>	<b>-</b>	<b>349,399</b>

#### 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.

##### Building improvement fund

This fund is for monies raised for future improvements of 11 Orchard Street.

#### Purposes of designated funds

##### Building purchase fund

This fund is for monies set aside from general funds surplus, for planned improvements of 11 Orchard Street which include making the building more accessible.

##### Building purchase fund

This fund is for monies set aside from general funds surplus, for the purchase of a building in February 2023.



## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

For the year ended 31 August 2023

#### 16. Movements in funds (continued)

##### Purposes of designated funds (continued)

##### Land and buildings

This fund represents the net book value of land and buildings currently held in fixed assets less the outstanding loan on the property.

##### STTF

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

##### Purposes of transfers

Transfers to the land and buildings fund from the restricted and designated building purchase funds represent expenditure on the building and other incidental purchase costs. The remaining cost of the building and loan repayments made in the year were transferred from unrestricted funds.

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

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

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

## The Severnside Initiative for Psychotherapy

### Notes to the financial statements

#### For the year ended 31 August 2023

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##### 17. Operating lease commitments

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

	2023 £	2022 £
Amount falling due:		
Within 1 year	-	7,708
Within 1 - 5 years	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>7,708</u>

##### 18. 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 £605 and £Nil respectively (2022: £669 and £530) for teaching fees. Neither trustee received payments in their capacity as trustees. No amounts were owing at 31 August 2023 (2022: £Nil).