

Charity registration number 1144041

Company registration number 05523517 (England and Wales)

TERAPIA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

TERAPIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K E Malyali N J Rolli L J Fuller D Shah R Alberto	(Appointed 26 January 2023)
Charity number	1144041	
Company number	05523517	
Principal address	Terapia Centre 17a East End Road Finchley London N3 3QE	
Registered office	17a East End Road London N3 3QE	
Auditor	TC Group 5th Floor 3 Dorset Rise London EC4Y 8EN	
Bankers	Santander UK Plc Customer Service Centre Bootle Merseyside L30 4GB	

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TERAPIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also directors of the charitable company for the purpose of the Companies Act 2006, present their report and accounts for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in Note 1, the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charitable company is a registered charity which exists to provide relief of the mental and emotional distress of children, adolescents, adults, carers and families in need of professional help, through counselling, psychotherapy, training, advice and support and to advance the education of the general public in all areas relating to child, adolescent and adult counselling and psychotherapy.

Public Benefit Statement

The trustees confirm that they have complied with their duty in section 4 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

How Terapia's Activities Deliver Public Benefit

Terapia's activities are geared to deliver public benefit in the following ways:

- by providing training for counsellors and psychotherapists, who then utilise their acquired knowledge and skills by providing a counselling and psychotherapy service for clients of differing ages and developmental backgrounds and from diverse social and cultural backgrounds who may present a wide range of emotional, developmental, social and behavioural issues;
- by offering low cost and free of charge counselling and psychotherapy to children, young people, parents and families. This comprehensive and wide-ranging service is provided pro bono by Terapia's trainees. The students' clinical work is supported by Terapia's tutors and clinical supervisors who are qualified Child and Adolescent Counsellors and Psychotherapists.

Terapia is a uniquely integrative school which, unlike most other existing training providers, explores all the leading approaches to Child Psychotherapy. The school is one of the first in the UK to offer training from this perspective. Most of the training takes place through weekly seminars, weekend lectures and tutorials. A balance of theoretical and experiential learning is offered at Terapia.

Terapia's training function has been in operation for over 20 years. The rapid growth of the organisation provides reassurance that Terapia is filling a need for such training and services in the country.

Terapia is an organisational member of the British Association for Counselling and Psychotherapy (BACP) and an accredited member of United Kingdom Council for Psychotherapy (UKCP). The courses are also validated by the Middlesex University.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

Reports of Officers and Committees 1 January 2023 to 31 December 2023

Terapia's Board of Trustees comprises volunteers who are legally responsible for the charity and ensuring the charity acts in line with its charitable purposes for the public benefit. They must ensure that the charity complies with the charities governing documents and the law and is accountable. They also oversee the management of the charity's resources.

In 2023, the Trustees comprised 6 Board members who meet on a regular basis, acting in Terapia's best interests and abiding by the principles of accountability, integrity and honesty and transparency

The Board of Trustees met three times in 2023 on 26 January, 18 May and 14 September.

Ethics Committee Report

Terapia's Ethics and Complaints Committee is responsible for assuring the ethical conduct and principles of Terapia's students, supervisors, tutors and graduates. Its aim is to ensure that Terapia's policies and procedures are up-to-date, maintain good standards of practice in accordance with government policy and legislation as it relates to children and young persons and UKCP guidelines, and meets the needs and circumstances specific to psychotherapeutic work with children. Its main function is to assist Terapia and to resolve complicated ethical matters in a timely and respectful manner.

The Committee should consist of three members, one of which should be a child psychotherapy practitioner and one person could be an administrator employed by Terapia. We are recruiting members of the committee.

There were no complaints against Terapia in 2023.

Financial review

Details of income and expenditure for the year are shown on page 12. The trustees are content with the financial position and performance of Terapia.

Incoming resources totalled £1,688,451, reflecting a year-on-year change of £406,517. The charity's management costs for the year amounted to £1,379,270, compared to £1,304,278 in 2022.

Reserves Policy

The trustees have established a policy whereby the charitable company aspires to maintain unrestricted funds equivalent to at least three months of average operating costs. The trustees also regularly monitor and review the level of free resources available to the charitable company. The total unrestricted funds at the balance sheet date were £344,436 (2022: £245,837). The restricted funds held at the balance sheet date totalled £1,848,822 (2022: £1,638,240). Available resources at the balance sheet date were £299,760.

Investment Policy

The trustees have considered the most appropriate policy for investing funds and this will be in bank deposit accounts which will ensure the funds are readily available at all times.

Risk Review

The trustees have conducted their own review of the major risks to which the charitable company is exposed and systems have been established to mitigate those risks. The trustees have not identified any major risk with regards to future income streams. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality for all operational aspects of the charitable company. These procedures will be periodically reviewed to ensure that they still meet the requirements of the charitable company. The charitable company's policies proved robust in the face of the challenges raised by recent escalations in the cost of living. Aging IT and Telephone infrastructure continues to prove a challenge and improvements are under review by the Board.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for the future

Terapia Training Branch:

- To embed and consolidate the new MA training program agreed with Middlesex University and started in January 2024.
- To look at new ways to increase student numbers given recent slower uptake of the course than in previous years, likely due to higher costs of living
- To continue to recruit new core staff for the training (tutors, clinical and observation supervisors).
- To increase take up of Senior Mental Health Lead Training and increase the numbers of trained Senior Mental Health Leads.
- To work with Birmingham City University on developing a Doctorate Program for September 2026.

Terapia Clinical Services:

- To develop further and expand provision of Terapia's clinical services associated with educational training.
- To strengthen the current infrastructure of the service by reviewing existing policies.
- To further develop group therapy service in accordance with Terapia's bespoke group program.
- To implement the next phase of the Whole School Approach Project (WSA) for improving mental health and wellbeing in five local schools.

Terapia Centre

- To ensure the Sensory Room is utilised, by promoting it via advertising and marketing.
- To increase the number of clients maximizing room usage at The Bothy and the new premises at Avenue House, during all times of the day.

Structure, governance and management

Terapia is a charitable company limited by guarantee without share capital.

The charitable company was incorporated on 1 August 2005 and is governed by the revised Memorandum and Articles of Association adopted by special resolution and filed with Companies House on 21 September 2011, and the Charities Act 2011. It was registered as a charity with the Charity Commission on 29 September 2011.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

K E Malyali

A Ali

(Resigned 5 June 2024)

N J Rolli

L J Fuller

D Shah

R Alberto

(Appointed 26 January 2023)

Recruitment and Appointment of Management Committee

The charitable company's trustees are also directors of the charitable company for the purposes of charity law and under the Company's Articles are known as members of the Management Committee. Under the requirements of the Company's Articles the members of the Management Committee are elected to serve for a period of one year, after which, if still willing to serve, they must be re-elected at the next Annual General Meeting.

All trustee members of the Management Committee give their time voluntarily and receive no benefits from the charitable company, other than as disclosed in Note 8 of the accounts.

Two of the trustees are Terapia trained therapists who ensure the Management Committee remains focused on the practicalities of achieving the charitable company's aims.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Governance

Corporate governance and decision making

The Board of trustees continually keeps the operation and effectiveness of the governance structure under review. Strategic and operational planning, risk management, and budget planning processes are in place and reviewed annually.

The Chief Executive Officer is responsible for the day to day running of the organisation. Her work is supported by the Training Director, Training Clinical Lead and a PA. An Academic Coordinator also provides administrative support to teaching staff and students.

All decision making of the training branch of the organisation takes place within the Training Committee. This also provides quality assurance for all aspects of the course. The committee comprises the core training staff - the CEO, Director of Training and Training Clinical Lead.

All decision making for the Therapeutic Services takes place within the Services Committee which consists of the CEO, Services Clinical Lead and the Head of School Services and Development. Terapia's organisational activities are supported by the Ethics Committee.

The regular reviews and audits conducted by the United Kingdom Council for Psychotherapy (UKCP) and Middlesex University provide assurance on Terapia's professional activities, with risk management and control systems in operation, as well as providing an input to continuous improvement processes. A UKCP Review took place in 2022 which Terapia successfully passed.

Clinical governance

Terapia's Training and Services Clinical Leads and Ethics Committee, in conjunction with internal clinical supervisors, provide a quality of service which meets the changing demands of law, regulation and standards of best practice related to child and adolescent mental health. They implement appropriate evidence based performance standards and have a regular evaluation of the service systems in place.

The Training Committee comprises the core training staff. The Training Committee is a decision-making body and provides quality assurance for all aspects of the course.

Trustee Induction and Training

Trustees are already familiar with the operational work of the charitable company, and have extended their knowledge through reading the charitable company's training and information literature as well as through discussion sessions with the CEO and other staff.

Fundraising

The Terapia Shop in North Finchley continues to raise funds for the charity. The Trustees would like to acknowledge the generosity of those who donated and bought goods and would like to thank the shop staff and volunteers who generously give up their time to help out in the charity shop, which helps to generate much needed income that's used for our charitable objectives. A second shop is opening in East Finchley in 2024.

We are also grateful for financial donations and grants made. All money received will be used to further our charitable purposes, subject to restrictions imposed by the donors.

TERAPIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Terapia for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

TC Group were appointed as auditor to the company in accordance with section 485 of the Companies Act 2006 and will be deemed to be reappointed under section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

D Shah

Trustee

Dated: 27 September 2024

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CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Report from Bozena Merrick, CEO and Founder.

Terapia continues to be a successful training organisation providing psychotherapeutic services to children, adolescents and their families. 2023 saw the 20th Anniversary of Terapia and I am hugely proud of our achievements since the organisation was founded in 2003.

In 2023 there was change and growth for Terapia as well as celebration. Among our achievements we had a new MA course validated by Middlesex University and acquired new training, office and therapy spaces nearby in Avenue House. The prevalence of mental health issues has led to continued need for Terapia's therapeutic services, delivered by our trainees as a requirement of their training, highlighting the importance of the work we do and the difference this makes to young peoples' lives and their futures.

Bothy Centre and new facilities at Avenue House

In 2023 Terapia secured additional premises in Avenue House to enable us to expand our training and therapeutic services provided as a requirement of the educational courses. This comprises a large training room and therapy room (in the 2nd floor Flat) and new office space (Room 20). Both spaces were renovated and furnished to reflect the facilities at the Bothy and enhance the learning and therapeutic experience. We run our Conversion and Supervision Training Courses from the new premises and our Therapeutic Services and School Services Team are accommodated in the new office space.

The main training continues to be held at The Bothy, our Victorian Grade II Listed Building, in the grounds of Stephen's House and Gardens in Finchley. We are proud of the fantastic bespoke training facilities we offer, including a suite of therapy and play therapy rooms and a sensory room. The therapeutic environment begins when you enter the Bothy Gardens and continues in the building when you pass the beautiful living walls. The centre continues to be admired by trainees, tutors and clients and their families, enhancing both the teaching and therapeutic work we do.

The Bothy is a shared community space devoted to education and the associated psychotherapeutic and counselling provision for children, young people and families. The centre cares for children of all ages, races and cultures, special/additional needs, who live in the Barnet area and North London and need specialist psychological help.

Terapia Training

In 2022 we effectively recruited a full cohort of trainees to start on the new programme in January 2023 filling both our daytime and evening courses, thus ensuring another financially secure year for Terapia. Some students have not continued into the later modules but these groups remain financially viable as employing less supervisors for the cohort reduces the overall training costs for the group.

In 2023 we had our new MA Training programme validated by Middlesex University. Formulating the new programme was the main focus for much of 2023. The new course programme covers new subject areas and comprises a Foundation year covering adult counselling skills to be followed by a four-year MA course. Terapia students in the early years of training moved onto the new course structure in 2024, but those in the final two years of training continued with the existing course.

By Autumn 2023, the Foundation Year for our course programme was fully subscribed for both the daytime and evening training, with 40 new students starting in January 2024. We introduced a process of group interviews at the beginning of 2023 which streamlined the recruitment process. Terapia's excellent reputation means that we overwhelmingly attract students by word of mouth, but we also bring in trainees through adverts in various therapy magazines and through information on our website. Terapia again exhibited at the Mind, Body and Spirit Festival and the BACP Private Practice conference raising awareness of our training.

We have continued to need to recruit new tutors and supervisors, and the new course programme required more Baby Observation and Toddler Observation Supervisors. As a result Terapia welcomed many new faces in 2024.

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CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Terapia Services

All therapeutic services offered by Terapia are part of our educational course delivery. These services are provided by the trainees on our Child and Adolescent Psychotherapy MA. This gives Terapia's tutors the opportunity to assess students' learning on the course and the way they implement teaching into their clinical skills.

Our psychotherapy trainees are supervised in small groups and are also supported by our Clinical Lead, Sacha Richardson, on clinical and management issues. Terapia's core teaching staff (Clinical Supervisors, Director of Training, CEO and Pastoral Support Tutor) meet regularly with Terapia Services staff to discuss every student on a placement and to exchange information about learning progress and any issues which may arise in trainees' professional development.

By asking parents/clients for a contribution towards trainees' supervision costs and the upkeep of the centre, we are able to provide therapy to those who would be unable to afford this elsewhere.

In 2023 there has been a significant increase in the number of therapy sessions provided at the Bothy to children, adolescents and their families. At end 2023 there were 21 trainees at the Bothy and 56 clients had attended therapy sessions there. All therapeutic services are delivered in-person and we continue to have a high volume of new client referrals which are overseen by our Clinical Lead.

Pamela Butler, our Head of Services and Development, oversees Terapia's service provision and is looking at ways to grow our services, through developing partnerships with outside organisations and working on projects such as the Hendon Collaboration project which helps tackle knife crime in schools.

Rooms at the Bothy are also regularly hired out to private users who provide therapy services. This provides an additional contribution to Terapia's therapeutic services when rooms would otherwise not be used by our trainees and we have been able to take on an additional member of staff for our reception team.

Terapia School Services

In 2023 Terapia School Services (TSS) continued to expand and provide excellent services in many primary and secondary schools in the North London area and Hertfordshire. TSS also now operates in number of schools outside London as it has organised clinical placements in schools for all students. Our Schools Services Manager works closely with each individual school in supporting Terapia's therapists in meeting the mental health needs of the children and young people they work with.

TSS also continued to run the Whole School Approach (WSA) project, funded by John Lyon's Charity for improving mental health and wellbeing in five local schools. The project has been overseen by Pamela Butler.

Our trainees also worked in three organisations:

- Onwards and Upwards (Leaving Care children)
- The London Fire Brigade - providing supervision for Fire Brigade professionals supporting Young People (8-18 years) who are fire setters.
- Hertfordshire Children's Residential Services and ARC.

At the end of 2023, 64 Students were on these placements each one seeing at least 3 children per week, thus providing therapy and counselling to just under 200 children and young people each week.

Senior Mental Health Lead training programme

In 2023 we continued to deliver a Senior Mental Health Leaders course, both in person and on Zoom. This course was approved and accredited by the Carnegie School of Education, Leeds Beckett University, and is delivered by Pamela Butler and Jonathan Block on behalf of Terapia, with consistently excellent feedback from participants who are largely drawn from the educational sector.

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CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Bothy Charity Shop

The Bothy Charity Shop in North Finchley continues to thrive and bring in income to the charity. It is now well established in the local community, helping to promote the Charity, advertising the courses we offer and protecting the environment by upcycling and re-using goods. The shop employs two member of staff and has a number of volunteers. We opened a second Charity Shop in East Finchley in August 2024.

Events

In 2023 Terapia celebrated its 20th Anniversary with a Gala Dinner held at the Marriot Hotel in Swiss Cottage. This event also raised funds for the Friends of Terapia to help students facing financial difficulties meet course fees and other expenses.

We also hosted a book launch to celebrate the publication of "One Tree Many Branches: The Practice of Integrative Child and Adolescent Psychotherapy". This included chapters written by past and present Terapia Students on various subject issues, showcasing Terapia trainees' dissertation work and their achievements and knowledge gained at Terapia.

Risks and Mitigations

Despite another good year in terms of demand for Terapia's services and student numbers remaining steady for another year, we have risks to our services.

Terapia Training:

Risks:

1. Falls in future recruitment to our courses as students struggle to finance course fees due to higher living expenses and other costs.
2. Pressures on staffing costs as the result of lower number of students.
3. Difficulties in recruiting staff for some specific course subject areas.

How we plan to mitigate the risks:

1. If student numbers drop, the training allows for flexibility to employ fewer contractors, to offset the decrease in income.
2. Closely monitoring student numbers to help budgeting for staff costs.
3. Increased recruitment drive for new students, including a more defined strategy for advertising courses/using previous course enquiries.

Bothy Centre:

Risks:

1. Ongoing IT and phone problems affecting the services we provide.
2. Terapia's database no longer fit for purpose.

How we plan to mitigate the risks:

1. A new phone system with BT was set up in 2023, but issues with slow internet speeds affect all businesses in the locality. It is hoped we can all lobby BT to set up Fibre broadband which would improve internet speeds for everyone.
2. An IT expert is being consulted to advise on improvements to Terapia's IT.
3. Work has started on identifying requirements for a database to meet Terapia's training needs.

TERAPIA

CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Conclusion

I am proud of Terapia and of our many achievements over the year and am grateful for the dedication and continued support of Terapia's teaching and admin staff throughout the year.

Thank you to our current Chair, Dipen Shah and the Board of Trustees for their ongoing support.

Bozena Merrick (Gmerek)
Chief Executive Officer and Clinical Director
Terapia
Dated:

TERAPIA

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TERAPIA

Opinion

We have audited the financial statements of Terapia (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF TERAPIA

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant are those that relate to the reporting framework being the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the charitable company's Memorandum and Articles of Association, the Charities Act 2011, and the safe guarding legislation.
- We understood how the Charity is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.
- We assessed the susceptibility of the Charities's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the entity. We tested completeness of income through substantive tests performed and cut off tests on the revenue recognised.
- The Charity is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF TERAPIA

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

.....

Statutory Auditor

5th Floor
3 Dorset Rise
London
EC4Y 8EN

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

TERAPIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	2	432	-	432	39	-	39
Charitable activities	4	1,284,716	299,100	1,583,816	1,194,879	10,500	1,205,379
Other trading activities	3	101,385	-	101,385	76,516	-	76,516
Bank interest		2,818	-	2,818	-	-	-
Total income		1,389,351	299,100	1,688,451	1,271,434	10,500	1,281,934
Expenditure on:							
Charitable activities	5	1,290,752	88,518	1,379,270	1,225,760	78,518	1,304,278
Net income/(expenditure) for the year/							
Net movement in funds		98,599	210,582	309,181	45,674	(68,018)	(22,344)
Fund balances at 1 January 2023		245,837	1,638,240	1,884,077	200,163	1,706,258	1,906,421
Fund balances at 31 December 2023		344,436	1,848,822	2,193,258	245,837	1,638,240	1,884,077

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TERAPIA

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Property, plant and equipment	10		1,611,783		1,614,740
Current assets					
Trade and other receivables	11	335,047		113,346	
Cash at bank and in hand		475,840		425,795	
		810,887		539,141	
Current liabilities	12	(229,412)		(269,804)	
Net current assets			581,475		269,337
Total assets less current liabilities			2,193,258		1,884,077
Income funds					
Restricted funds	13		1,848,822		1,638,240
<u>Unrestricted funds</u>					
Designated funds	14	6,206		-	
General unrestricted funds		338,230		245,837	
			344,436		245,837
			2,193,258		1,884,077

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 27 September 2024

K E Malyali
Trustee

D Shah
Trustee

Company Registration No. 05523517

TERAPIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	18		74,631		141,134
Investing activities					
Purchase of property, plant and equipment		(27,404)		(755)	
Interest received		2,818		-	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(24,586)		(755)
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net increase in cash and cash equivalents			50,045		140,379
Cash and cash equivalents at beginning of year			425,795		285,416
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>475,840</u>		<u>425,795</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

Terapia is a private company limited by guarantee incorporated in England and Wales. The registered office is at 17a East End Road, London, N3 3QE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, as course enrolments for 2024 and beyond are budgeted to continue to cover the charitable company's stable cost base. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Restricted funds

Restricted funds are to be used for the specific purpose as laid down by the donor. Expenditure which meets this criteria is charged to the fund, together with a fair allocation of management and support costs, where applicable.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated from the objects of the charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are set aside out of unrestricted funds by the trustees for specific purposes.

1.4 Income

Incoming resources from training, the associated delivery of services and related activities, and room rent is included on the Statement of Financial Activities when receivable.

Incoming grants are recognised once the charity has been notified of the donation and its receipt is probable.

Voluntary income received by way of donations and gifts is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

Goods donated to the charity shop are recognised at their fair value when material, however where it is not possible to assess the value of goods donated, as they are low value items which cannot be reliably measured, no income is recognised until the goods are sold.

Other income includes income from fundraising events organised by the charity.

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Charitable grants, including any grants for the purchase of fixed assets, are recognised in the statement of Financial Activities in the year in which they are receivable. For grants or donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the grant or donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfillment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Outgoing resources are recognised in the period in which they are incurred. Resources expended include any attributable VAT which cannot be recovered. Support costs are allocated between charitable activities based on the percentage of total costs.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

The Bothy	Over the 75 year period of the lease
Leasehold improvements	Over the 5 year period of the lease
Fixtures, fittings & equipment	20% per annum on a reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	432	39

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	101,385	76,516

4 Charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Educational course fees and services	1,194,582	15,000	1,209,582	10,500	1,139,853	1,150,353
Room hire	76,208	-	76,208	-	54,053	54,053
Grant income	-	284,100	284,100	-	-	-
Other income	13,926	-	13,926	-	973	973
	<u>1,284,716</u>	<u>299,100</u>	<u>1,583,816</u>	<u>10,500</u>	<u>1,194,879</u>	<u>1,205,379</u>
Analysis by fund						
Unrestricted funds	1,284,716	-	1,284,716	-	1,194,879	1,194,879
Restricted funds	-	299,100	299,100	10,500	-	10,500
	<u>1,284,716</u>	<u>299,100</u>	<u>1,583,816</u>	<u>10,500</u>	<u>1,194,879</u>	<u>1,205,379</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

5 Charitable activities

	Direct Training costs	Fundraising costs	The Bothy Renovation work	Whole School Approach	Hendon Collaboration Project	The Underprivileged Children's Fund	Total 2023	Total 2022
	2023	2023	2023	2023	2023	2023		
	£	£	£	£	£	£	£	£
Staff costs	107,164	29,571	-	27,594	4,903	-	169,232	189,573
Direct expenditure	548,296	50,905	23,093	25,240	6,138	1,550	655,222	605,415
	<u>655,460</u>	<u>80,476</u>	<u>23,093</u>	<u>52,834</u>	<u>11,041</u>	<u>1,550</u>	<u>824,454</u>	<u>794,988</u>
Support and governance costs (see note 6)	493,179	61,637	-	-	-	-	554,816	509,290
	<u>1,148,639</u>	<u>142,113</u>	<u>23,093</u>	<u>52,834</u>	<u>11,041</u>	<u>1,550</u>	<u>1,379,270</u>	<u>1,304,278</u>
Analysis by fund								
Unrestricted funds	1,148,639	142,113	-	-	-	-	1,290,752	1,225,760
Restricted funds	-	-	23,093	52,834	11,041	1,550	88,518	78,518
	<u>1,148,639</u>	<u>142,113</u>	<u>23,093</u>	<u>52,834</u>	<u>11,041</u>	<u>1,550</u>	<u>1,379,270</u>	<u>1,304,278</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Charitable activities

(Continued)

For the year ended 31 December 2022

	Direct Training costs £	Fundraising costs £	The Bothy Renovation work £	Whole School Approach £	Total 2022 £
Staff costs	121,186	22,833	-	45,554	189,573
Direct expenditure	531,988	40,463	23,093	9,871	605,415
	653,174	63,296	23,093	55,425	794,988
Share of support costs (see note 6)	466,897	42,393	-	-	509,290
	1,120,071	105,689	23,093	55,425	1,304,278
Analysis by fund					
Unrestricted funds	1,120,071	105,689	-	-	1,225,760
Restricted funds	-	-	23,093	55,425	78,518
	1,120,071	105,689	23,093	55,425	1,304,278

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Support and governance costs

	Support costs	Governance costs	2023 Support costs	Governance costs	2022
	£	£	£	£	£
Staff wages and salaries	186,470	-	186,470	163,373	163,373
Director's remuneration	96,665	-	96,665	98,148	98,148
Social security	31,652	-	31,652	42,217	42,217
Pensions	8,159	-	8,159	7,573	7,573
Rent	29,237	-	29,237	13,661	13,661
Insurance	6,893	-	6,893	6,241	6,241
Repairs and maintenance	5,362	-	5,362	4,433	4,433
Advertising and marketing	25,352	-	25,352	25,616	25,616
Recruitment costs	-	-	-	5,524	5,524
Computer costs	18,668	-	18,668	12,232	12,232
Provision for doubtful debts	8,692	-	8,692	17,565	17,565
Postage and stationery	11,826	-	11,826	10,325	10,325
Telephone and fax	562	-	562	565	565
Motor expenses	1,775	-	1,775	1,742	1,742
Travelling expenses	2,710	-	2,710	2,302	2,302
Legal and professional fees	8,058	-	8,058	7,726	7,726
Auditor's remuneration	-	12,600	12,600	-	11,400
Accountancy	34,105	-	34,105	31,567	31,567
Sundry expenses	25,576	-	25,576	12,665	12,665
Subscriptions	3,035	-	3,035	2,790	2,790
Bank charges	7,058	-	7,058	5,028	5,028
Depreciation	30,361	-	30,361	27,677	27,677
	<u>542,216</u>	<u>12,600</u>	<u>554,816</u>	<u>498,970</u>	<u>510,370</u>

7 Trustees

During this year and the previous year, no amounts were re-imbursed to trustees.

None of the current trustees are remunerated by the charity.

8 Employees

The average monthly number of employees, excluding the trustees, during the year was:

	2023 Number	2022 Number
Employees	<u>15</u>	<u>15</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	452,367	451,094
Social security costs	31,652	42,217
Other pension costs	8,159	7,573
	<u>492,178</u>	<u>500,884</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£90,000 - £100,000	<u>1</u>	<u>1</u>

9 Taxation

No liability arises as the charitable company is a registered charity and is therefore exempt from taxation on the income arising from its normal activities.

10 Property, plant and equipment

	The Bothy £	Leasehold improvements £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2023	1,730,447	-	58,803	1,789,250
Additions	-	17,214	10,190	27,404
	<u>1,730,447</u>	<u>17,214</u>	<u>68,993</u>	<u>1,816,654</u>
At 31 December 2023				
Depreciation and impairment				
At 1 January 2023	134,041	-	40,469	174,510
Depreciation charged in the year	23,093	2,582	4,686	30,361
	<u>157,134</u>	<u>2,582</u>	<u>45,155</u>	<u>204,871</u>
At 31 December 2023				
Carrying amount				
At 31 December 2023	<u>1,573,313</u>	<u>14,632</u>	<u>23,838</u>	<u>1,611,783</u>
At 31 December 2022	<u>1,596,406</u>	<u>-</u>	<u>18,334</u>	<u>1,614,740</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

11 Trade and other receivables

	2023 £	2022 £
Amounts falling due within one year:		
Trade receivables	65,843	49,649
Prepayments and accrued income	122,604	63,697
	<u>188,447</u>	<u>113,346</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	<u>146,600</u>	<u>-</u>
Total debtors	<u>335,047</u>	<u>113,346</u>

12 Current liabilities

	2023 £	2022 £
Other taxation and social security	13,351	12,911
Trade payables	22,238	19,208
Other payables	1,571	1,827
Accruals and deferred income	192,252	235,858
	<u>229,412</u>	<u>269,804</u>

Included in creditors is deferred income of £155,929 (2022: £200,967) which relates to 2024 course fees received in advance.

13 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
The Bothy renovation work	1,596,406	-	(23,093)	1,573,313
The Underprivileged Children's fund	4,000	-	(1,550)	2,450
Whole School Approach	37,834	178,600	(52,834)	163,600
The Hendon Collaboration Project	-	120,500	(11,041)	109,459
	<u>1,638,240</u>	<u>299,100</u>	<u>(88,518)</u>	<u>1,848,822</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Restricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
The Bothy renovation work	1,619,499	-	(23,093)	1,596,406
The Underprivileged Children's fund	4,000	-	-	4,000
Whole School Approach	82,759	10,500	(55,425)	37,834
	<u>1,706,258</u>	<u>10,500</u>	<u>(78,518)</u>	<u>1,638,240</u>

The Bothy restricted fund relates to specific donations received for the purpose of renovating a property which has been leased to the Charity on a long-term basis to be used in connection with the charity's purpose of providing a therapeutic centre for children, young adults and their families.

The Underprivileged Children's fund is used to enable young people and their families to access the therapeutic services associated with educational courses.

The Whole School Approach fund is used to provide holistic therapeutic services, associated with educational courses, to entire school communities. This has been primarily funded by a grant from John Lyon's Charity beginning in 2021 which was pledged to contribute £133,000 over three years. Another grant from John Lyon's Charity was pledged in 2023, to contribute £163,600 over a further 3 years, commencing December 2023.

The Hendon Collaboration Project fund is used to provide holistic therapeutic services, associated with educational courses, to disadvantaged students at St Mary's and St John's CE School. This has been primarily funded by a separate grant from John Lyon's Charity, which was pledged to contribute £120,500 over 3 years, commencing September 2024.

14 Unrestricted and designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
Student Funding Scheme	-	6,206	-	6,206
General funds	245,837	1,383,145	(1,290,752)	338,230
	<u>245,837</u>	<u>1,389,351</u>	<u>(1,290,752)</u>	<u>344,436</u>
 Previous year:	 At 1 January 2022	 Incoming resources	 Resources expended	 At 31 December 2022
	£	£	£	£
General funds	200,163	1,271,434	(1,225,760)	245,837

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:						
Property, plant and equipment	38,470	1,573,313	1,611,783	18,334	1,596,406	1,614,740
Net current assets	305,966	275,509	581,475	227,503	41,834	269,337
	<u>344,436</u>	<u>1,848,822</u>	<u>2,193,258</u>	<u>245,837</u>	<u>1,638,240</u>	<u>1,884,077</u>

16 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	52,306	31,706
Between two and five years	157,742	125,235
In over five years	-	8,663
	<u>210,048</u>	<u>165,604</u>

17 Related party transactions

J Block, a previous trustee of Terapia and spouse of a member of key management, is also a director and shareholder of Head Teacher Research Limited. During the year ended 31 December 2023 the charitable company paid £6,005 (2022: £6,577) for supplies and services to Head Teacher Research Limited.

N Rolli, a trustee of Terapia, provided teaching to two groups of students. During the year she received £2,771 (2022: £1,700) for services rendered.

18 Cash generated from operations

	2023 £	2022 £
Surplus/(deficit) for the year	309,181	(22,344)
Adjustments for:		
Interest received	(2,818)	-
Depreciation of property, plant and equipment	30,361	27,677
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(221,701)	28,712
(Decrease)/increase in trade and other payables	(40,392)	107,089
Cash generated from operations	<u>74,631</u>	<u>141,134</u>

TERAPIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2023*

19 Analysis of changes in net funds

The charity had no material debt during the year.