

REGISTERED COMPANY NUMBER: 08287687 (England and Wales)
REGISTERED CHARITY NUMBER: 1154989

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2022
FOR
FAVERSHAM COUNSELLING SERVICE LIMITED**

FAVERSHAM COUNSELLING SERVICE LIMITED

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For The Period Ended 31 March 2022

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FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES

For The Period Ended 31 March 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 1 January 2021 to 31 March 2022. This report is also the directors' report. The trustees have adopted the provisions of 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).

VISION, OBJECTIVES AND MAIN ACTIVITIES

a. Vision

Faversham Counselling Service's (FCS) vision is to ensure that those requiring talking therapies can access them at the time of need in Faversham and the surrounding areas.

Our mission

Our mission is to enable ease of access in the provision of NICE-approved talking therapies in Faversham and the surrounding areas.

We aim to:

- Develop FCS to ensure that we are one of Kent's leading charities for counselling and psychological therapies, including accreditation by the BACP;
- Provide NICE-approved, evidenced based talking therapies; and
- Develop our student counsellors to enable long term therapy at a low cost for those that require it.

Our values

Our work is guided and informed by our commitment to:

- Working with those that come to us for therapy
- Listening to our clients by continuously working with client feedback, enabling voices to be heard
- Striving towards true inclusiveness
- Working in partnership, so that we can support our clients fully
- Ensuring everyone has access to high quality talking therapies

Realising our vision

Our strategic goals are:

1. Excellence in service
2. Excellence in psychological therapy
3. Excellence in client recovery
4. Removing stigma
5. Data collection

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

b. Objectives

In setting objectives and planning for activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'

c. Main Activities

FCS works with the NHS providing free Improving Access to Psychological Therapies ("IAPT") to all those living within Swale and surrounding areas. We also hold a contract with the University Medical Centre to provide the same NHS IAPT service to all those living within Canterbury and surrounding areas.

We work with trainee counsellors to enable them to advance in practice by gaining practical experience and the required therapeutic hours as counsellors to qualify. This programme allows the students to have comprehensive practical training whilst the students are also trained to understand patient management programmes. FCS has also updated its CPD programme to widen what is available in terms of subject matter for both the IAPT therapists as well as those who work in other parts of the organisation.

There are also private and low-cost therapies sessions to non-NHS referred clients, called FCS Faversham Counselling Services.

d. Activities for Achieving Objectives

FCS started 30 years ago as a charity based in Faversham. In that time, it has grown and, although we remain within Faversham, the catchment area for our work is Kent.

IAPT constitutes much of our work. We gather information from our service user's feedback, as well as feedback from our various stakeholder groups, on a continuous basis. It is important to us that we deliver high quality services to all our clients and that this is regularly reviewed, and services are developed to meet the changing demands of all stakeholder groups.

Our IAPT work is fully compliant to the IAPT Handbook with the continuation and ongoing commitment to the training of both High Intensity Therapists (HIT) and Psychological Wellbeing Practitioners (PWP).

FCS is an accredited service provider with the British Association of Counsellors and Psychotherapy (BACP) service, and we feel confident with the standards we have set ourselves and strive to improve the services we deliver to all clients.

Who uses the service?

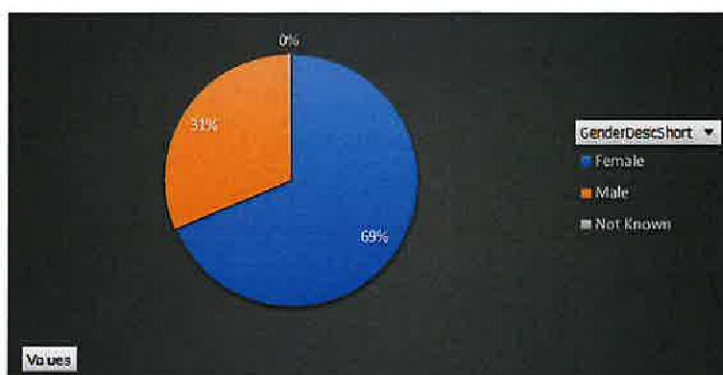
Despite COVID-19 and the impact that it has had on society, the statistics below reflect positively for FCSTT (FCS Talking Therapies) and our service users.

FAVERSHAM COUNSELLING SERVICE LIMITED

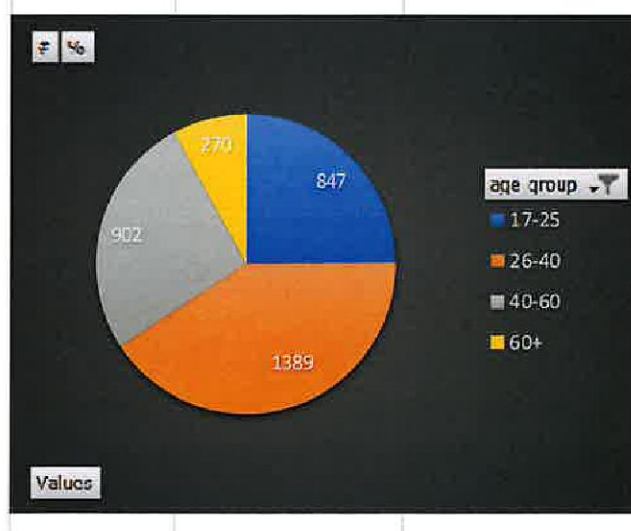
REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

Demographics of referrals received in the IAPT Service from 1.1.2021- 3.03.22

GENDER		
	#	%
Female	2350	68.55%
Male	1065	31.07%
Not Known	13	0.38%
Grand Total	3428	100.00%



AGE		
	#	%
17-25	847	24.85%
26-40	1389	40.76%
40-60	902	26.47%
60+	270	7.92%
Grand Total	3408	100.00%

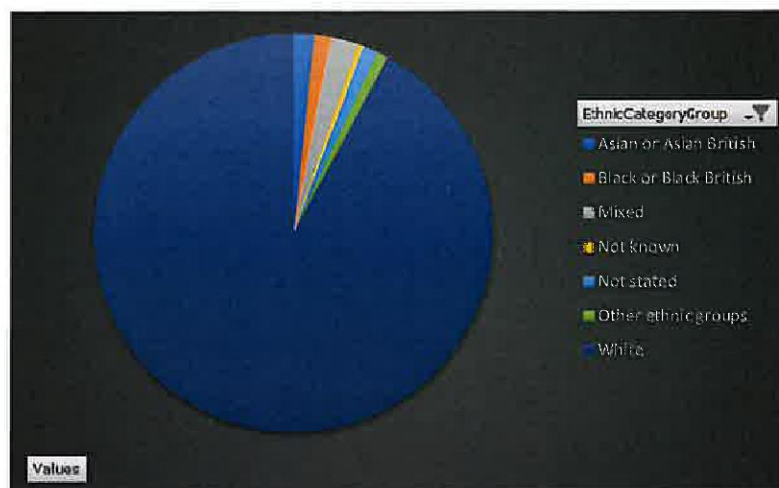


FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

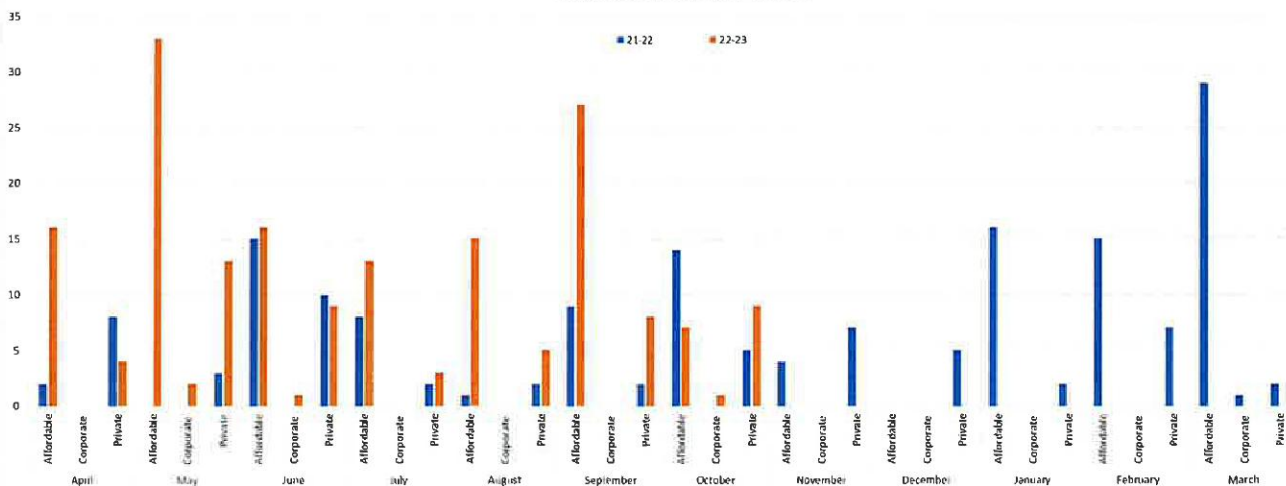
ETHNICITY

	#	%
Asian or Asian British	55	1.67%
Black or Black British	46	1.40%
Mixed	71	2.15%
Not known	16	0.49%
Not stated	40	1.21%
Other ethnic groups	32	0.97%
White	3036	92.11%
Grand Total	3296	100.00%



Referrals Received/Access to Treatment and Recovery 01 January 2021 to 31 March 2022 (15-month financial period)

Non-IAPT Referrals Received
Comparison of 2021-22 to 2022-23

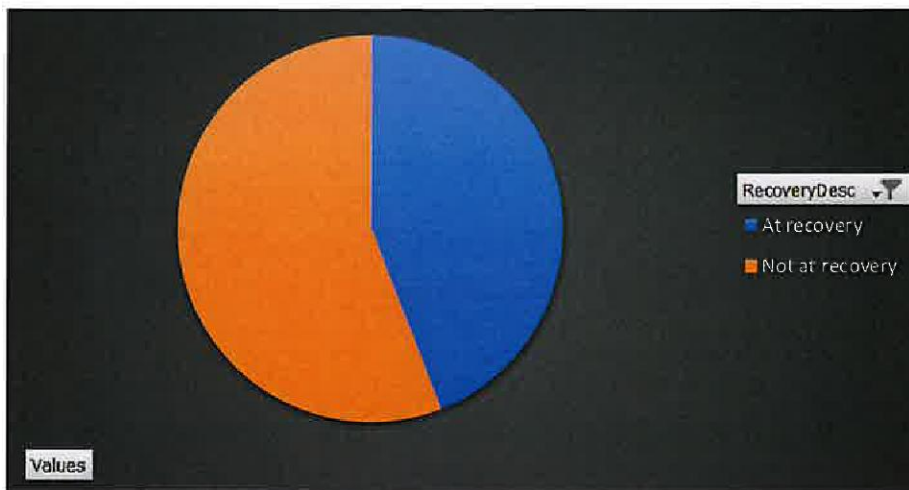


FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

RECOVERY

	#	%
At recovery	704	44.06%
Not at recovery	894	55.94%
Grand Total	1598	100.00%



Referrals Received	3428
No of these that accessed treatment	2302
Percentage of Referrals Accessing Treatment	67%

Why do people come for counselling?

The most common reasons patients access FCS include common mental health issues such as depression and anxiety. However, we also see many referrals from patients who have many other diagnosed mental health disorders, for example, patients with Post Traumatic Stress Disorder, Borderline Personality Disorder and Bipolar Disorder.

FCS works across a wide range of issues, including:

- Phobias
- Self-harm
- Bereavement
- Relationship counselling
- Anxiety
- Depression
- Poor self esteem
- Obsessive-Compulsive Disorder
- Trauma

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The charity is controlled by its governing document, the articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. It is also a not-for-profit organisation and a Registered Charity (No. 1154989). The charitable company was incorporated on 9 November 2012.

The principal objects of the Charity are set out on page 1 of the Trustees' Report. There have been no changes in the objectives since the last annual report.

b. Methods of appointment or election of Trustees

New trustees are elected and co-opted by the Board of Trustees under the terms of the Articles of Association.

c. Policies Adopted for the Induction and Training of Trustees

All new trustees are provided with an induction upon election. Training needs are kept under review by the trustees and carried out as required.

d. Organisational Structure and Decision Making

The board of trustees meet bimonthly through a formal meeting structure which is attended by members of the FCS Senior Management Team include the Chief Executive Officer, Clinical Director and Head of Finance.

The trustees also meet with the Chief Executive Officer and Clinical Director on an informal basis as and when required between board meetings.

The charity is organised in such a way that trustees meet regularly in order to manage its affairs whilst day-to-day responsibility is delegated to the Chief Executive Officer and executive team.

e. Pay policy for key management personnel

The trustees assess the remuneration of the Chief Executive Officer based on performance, market forces and affordability.

ACHIEVEMENTS AND PERFORMANCE

a. Financial Performance

During the 15-month period to 31 March 2022 income increased significantly to £1,475,649 (2020 - £823,332) which was reflected in our increased expenditure of £1,430,846 (2020 - £721,962). The overall surplus for the period was £46,746 (2020: £102,707).

These results, maintained in a period of COVID turmoil, are in some part due to the charity reporting requirements and include an amount carried forward of £51,750 for restricted funds to be spent on the salaries of the Outreach Worker and Graduate Psychologist. The deficit for the period for unrestricted funds was £5,004 (2020: £102,707).

Our primary source of funds is from Government contracts for the provision of IAPT services and the development of IAPT staff. In line with many other IAPT providers the period to March 2022 has been challenging. Whilst we were able to significantly increase the activity, the requirement of the NHS to amend our workforce model changing from sessional counsellors to employed accredited therapists, with the additional management costs required in doing so, put significant pressures on margins.

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

We continued investing to provide services during COVID 19 restrictions in terms of both technology and staff, supporting an increased number of trainees. Staff numbers increased from an average of 14 to 39 in the period. The increasing demand for clinical services and the need to support them continues and further investment is required, as supported by the Board, designed to ensure that the service continues to provide a quality service with an increased capacity for the future.

b. Review of Charitable Activities

FCS is committed to developing as a Charity to meet the needs of the community and over the past fifteen months has been focused on developing its workforce to enable us to expand our service provision. Although the last period has been a challenging time in many ways, FCS has used this period as an opportunity to transform and change.

The particularly challenging and uncertain environment in which we worked last year has highlighted the dedication and commitment of the staff who comprise of Faversham counselling service.

This has resulted in us growing our market share for IAPT service provision across Kent and Medway and has enabled us to see and treat higher quantity of clients.

Our non-NHS service has also grown during the last fifteen months with us now treating clients who are referred to us from a variety of different avenues including local businesses, other charities as well as those clients whom self-refer.

THOSE WHO WORK WITH FCS TALKING THERAPIES - IAPT:

FCS has fully trained workforce of therapists working under the BACP Service Accreditation Scheme and its Ethical Guidelines for Good Working Practice. As well as BABCP (British Association of Behavioural and Cognitive Psychotherapists), UKCP and other recognised accreditation bodies.

Clinical Director annual report

Structure of Workforce

- **NHS**

Over the last 15 months we have been working to develop our IAPT workforce and have recruited key infrastructure staff members to allow the professional development of the service moving forward with more qualified and trainee members of staff in conjunction with step 2 and a step 3 Lead Practitioners, which enables a broader clinical view and expertise within the stepped care model and the correct pathways.

As an organisation we are committed to the ongoing development of our IAPT workforce and the service is entering into the recruitment process for the 4th cohort of trainees for both High Intensity CBT Therapists and low intensity PWP Practitioners and partner with Canterbury Christchurch University for the HIT CBT therapist training and with Surrey University for the PWP course.

As part of the mental health delivery plan, we have taken a special interest for the equality area of young people (ages 17 to 25) within the Kent and Medway collaborative. This has enabled us to gain a grant to deliver a programme of VR virtual reality as an adjunct to therapy sessions. As part of this innovation we have been given the opportunity from our ICB to recruit to the post of CYP IAPT (children and young persons) to enable specifically the 17- to 25-year-old clients to have a bespoke package delivery from fully trained therapists.

- **Outcomes**

Our recovery rates have been steady over the past period and are in the 50% plus bracket NHS target and have achieved against our KPI's with our trajectory for clients accessing treatment within the Kent and Medway being with a margin of < or > 5% throughout the period.

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

• Non-NHS

Our non-NHS side of the service, corporate and private has grown over the past period and we are committed to the ongoing development of this service. The staff are predominantly student placements who are in their last year of their counselling training courses however due to the ongoing growth of this service we now have 2.6 employed members of staff who are working within this service.

Our current projects involve bespoke services to the Umbrella Centre in Faversham, the MS Centre in Canterbury, Macknade staff wellbeing and OATS academy staff wellbeing. Ongoing discussions are taking place about projects within the Kent Cluster of prisons and Sports connect and talk club amongst others.

Patient management system

Our patient management system Iaptus is now operational throughout non-NHS and NHS sides of the service and is a robust system which has enabled growth. We have also implemented an online assessment booking process for our clients enabling them to improve access and have a better choice of availability.

Wait times and patient flows

As part of our ongoing improvements we have considered the patient experience streamlining ways of working to improve the patients journey this includes simplified referral process forms, online patient experience.

Evaluating the services

In order to help us evaluate our services we seek feedback from our clients and customers.

This can be done through a variety of means - in counselling it is usually at the end of therapy, when clients can be asked about how satisfied they were with the service. There is not any one generic standard measure used, but the one that is used throughout IAPT is the patient experience questionnaire.

Client satisfaction represents a fundamental benchmark for good practice. Also, allowing clients to record their dissatisfaction, and make suggestions for improvement of services, is part of the ethical approach that FCS adopts when monitoring and evaluating its activities.

Written feedback from clients has been good and trustees were pleased to receive the following typical comments:

- My assessor was very calm and understanding. I was rather emotional on this appointment, but she was extremely supportive and took time to listen and evaluate my needs.
- My experience of FCS Talking Therapies has been positive. I have learned healthy coping strategies and ways to reframe my thoughts that will stay with me for life. My therapist was a very professional, effective and compassionate person who has helped me massively.
- This was 2nd time trying CBT. It was great this time, I was listened to and my PWP worked with me and was very fluid in her approach as my needs and thoughts changed week on week. She has helped me tremendously. I can't thank her enough.

FINANCIAL REVIEW

a. Going Concern

The Trustees are not aware of events or conditions that would prevent its operation for the foreseeable future. We have therefore adopted the going concern basis in preparing the financial statements.

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

In order to keep this under review, regular management accounts are produced and made available to the Board, whilst the Head of Finance and CEO meet frequently to discuss the financial position. If any negative issues were to be identified during these processes, remedial action would be taken to ensure we continued to operate and meet the charitable objectives.

b. Reserves Policy

FCS's policy was to maintain three months of operating costs in free reserves. For the period to 31 March 2022 this would equate to approximately £286,000.

At the period end, the charity held total funds of £330,959 (2020: £284,213) of which unrestricted general funds were £279,909 (2020: £284,213). Restricted funds of £51,750 (2020: £nil) relate to specific funded roles in the period to 31 December 2022.

Total free reserves of the charity, being general funds less the net book value of fixed assets amounts to £256,022 (2020: £275,779).

The difference between the policy and free reserves of around 10% is noted and a project to calculate the organisations actual needs undertaken. Post period end the Board set a new reserve policy being free reserves of £186,000, a requirement for positive net current assets on the balance sheet and a minimum of £15,000 in cash deposits. The period end accounts met this new policy.

b. Financial risk management objectives and policies

With almost 97% of income coming from the Government in one form or another, legislation and spending change is always a risk that needs to be considered. The required changes to our workforce model will continue to impact on our financial results. However, with confirmation of IAPT service contracts to April 2024 and the Government's commitment to continue to invest in mental health services, we anticipate navigating any change whilst the Board's commitment to invest in the private areas of the business show opportunities for both diversification and growth.

The Trustees have overall responsibility for the system of internal control whilst the day-to-day management is delegated to the CEO and her team. Relevant controls are designed by senior management to allow effective and efficient operations, including financial reporting and compliance with laws and regulations. The Trustees acknowledge that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

There are regular reviews and updates of policies and procedures and appropriate legal and professional advice sought and followed as appropriate. Any significant exceptions from approved policies and procedures are reported to the Trustees.

PLANS FOR FUTURE PERIODS

The local NHS ICB (Integrated Care Boards) announced that the current IAPT contracts continue to 30 April 2024 providing us some certainty. Continued investment in our service is planned to develop on our experiences in COVID, so that we provide an accessible service to as many clients as possible to further the charities' prime objectives. These experiences will also allow us to support our employees' needs, offering flexible ways of working and interacting both in premises and remotely. We anticipate that we will continue to provide IAPT development opportunities for trainees with the support of our funders.

We are also looking to expand our private, affordable and corporate services and are prepared to develop these areas. This will allow us to provide an increased breadth of service, not available within IAPT, such as longer-term counselling.

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08287687 (England and Wales)

Registered Charity number

1154989

Registered office

10 Gatefield Lane
Faversham
Kent
ME13 8NX

Trustees

Pam Baxter OBE (resigned 29 March 2021)

Samantha Jones (resigned 13 December 2021)

Louise Molton

Peter Gingell, Treasurer (resigned 30 November 2022)

Satish Mathur, Chair (appointed 9 March 2021 and resigned 31 October 2022)

Kate Walker (appointed 29 March 2021)

Ron Hoile (appointed 15 December 2021 and resigned 14 October 2022)

Directors

Pam Baxter OBE (resigned 29 March 2021)

Samantha Jones (resigned 13 December 2021)

Louise Molton

Peter Gingell, Treasurer (resigned 30 November 2022)

Satish Mathur, Chair (appointed 9 March 2021 and resigned 31 October 2022)

Kate Walker (appointed 29 March 2021)

Ron Hoile (appointed 15 December 2021 and resigned on 14 October 2022)

Chief Executive Officer

Michelle Ford

Auditors

Hilden Park Accountants Limited

Chartered Accountants & Statutory Auditors

Hilden Park House

79 Tonbridge Road

Hildenborough

Kent

TN11 9BH

FAVERSHAM COUNSELLING SERVICE LIMITED

REPORT OF THE TRUSTEES - continued For The Period Ended 31 March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Faversham Counselling Service Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Hilden Park Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees approved by order of the board of trustees, as the company directors, on 21 Dec 2022
and signed on the board's behalf by:

Louise Molton

Trustee – Louise Molton

Kate Walker

Trustee – Kate Walker

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAVERSHAM COUNSELLING SERVICE LIMITED

Opinion

We have audited the financial statements of Faversham Counselling Service Limited (the 'charitable company') for the period ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 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 matters which we are required to address

The prior period financial statements and the corresponding comparative figures included within these financial statements were not audited.

Other information

The other information comprises the information included in the annual report, including the trustees' 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, except to the extent otherwise explicitly stated in our report, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAVERSHAM COUNSELLING SERVICE LIMITED - continued

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- A large proportion of the income in the period is from contracts. The audit work performed included the verification of all material income to original agreements as well as an assessment of the charity's entitlement;
- Bank transactions in the period were of a consistent nature, relating to NHS contract income, supplier payments and salaries. All material movements were looked at individually to help gain assurance that material instances of fraud would have been identified;
- Due to the simple nature of operations, the risks of irregularities (and risk of unidentified irregularities) is low;
- The laws and regulations applicable for this entity have been identified and considered when carrying out the audit;
- The competency and capabilities of the audit team identifying or recognising non-compliance with laws and regulations have been considered;
- Consideration was given as to whether there were areas of the financial statements particularly susceptible to fraud;

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
FAVERSHAM COUNSELLING SERVICE LIMITED - continued**

- Enquiries were made with trustees and management on their assessment of fraud risk and details any known or suspected instances of fraud;
- Minutes of meetings of those charged with governance have been reviewed and nothing was noted that would indicate material misstatements due to fraud;
- The risk of management override of controls has been considered and the audit work in relation to this included the review of performance material accounting journals and other adjustments to assess that they were appropriate and in line with the normal course of the charity's activities.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Paul R. Chewter (Senior Statutory Auditor)
for and on behalf of Hilden Park Accountants Limited
Chartered Accountants & Statutory Auditors
Hilden Park House
79 Tonbridge Road
Hildenborough
Kent
TN11 9BH

Date: 22nd December 2022

Note:

The maintenance and integrity of the company's website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

FAVERSHAM COUNSELLING SERVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
For The Period Ended 31 March 2022

		Unrestricted Funds		Restricted Funds		Total Funds	
	Note	31/03/22	31/12/20	31/03/22	31/12/20	31/03/22	31/12/20
		£	£	£	£	£	£
Income from:							
Donations and legacies	2	-	-	69,000	-	69,000	-
Charitable activities	3	871,965	612,561	533,954	210,202	1,405,919	822,763
Investments	4	730	569	-	-	730	569
Total incoming resources		872,695	613,130	602,954	210,202	1,475,649	823,332
Expenditure on:							
Charitable activities	5	879,642	511,760	551,204	210,202	1,430,846	721,962
Total expenditure		879,642	511,760	551,204	210,202	1,430,846	721,962
Net gains on investments		1,943	1,337	-	-	1,943	1,337
Net income/(expenditure)		(5,004)	102,707	51,750	-	46,746	102,707
Reconciliation of funds:							
Total funds brought forward		284,213	181,506	-	-	284,213	181,506
Total funds carried forward		279,209	284,213	51,750	-	330,959	284,213

The notes form part of these financial statements

BALANCE SHEET

For The Period Ended 31 March 2022

		Unrestricted Funds		Restricted Funds		Total Funds	
	Note	31/03/22	31/12/20	31/03/22	31/12/20	31/03/22	31/12/20
		£	£	£	£	£	£
FIXED ASSETS							
Tangible assets	12	16,187	8,434	-	-	16,187	8,434
Investments	13	20,556	18,613	-	-	20,556	18,613
		36,743	27,047	-	-	36,743	27,047
CURRENT ASSETS							
Debtors	14	228,739	100,714	-	-	228,739	100,714
Cash at bank and in hand		63,413	217,270	51,750	-	115,163	217,270
		292,152	317,984	51,750	-	343,902	317,984
CREDITORS							
Amounts falling due within one year	15	(49,686)	(60,818)	-	-	(49,686)	(60,818)
NET CURRENT ASSETS		242,466	257,166	51,750	-	294,216	257,166
TOTAL ASSETS LESS CURRENT LIABILITIES		279,209	284,213	51,750	-	330,959	284,213
NET ASSETS		279,209	284,213	51,750	-	330,959	284,213
FUNDS							
Unrestricted funds	17	279,209	284,213	-	-	279,209	284,213
Restricted funds		-	-	51,750	-	51,750	-
TOTAL FUNDS		279,209	284,213	51,750	-	330,959	284,213

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial period and of its surplus or deficit for each financial period in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 subject to the small companies regime relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 Dec 2022.....
and were signed on its behalf by:

Louise Molton
Trustee - Louise Molton

Kate Walker

Trustee - Kate Walker

The notes form part of these financial statements

FAVERSHAM COUNSELLING SERVICE LIMITED**CASH FLOW STATEMENT
For The Period Ended 31 March 2022**

	Notes	Period Ended 31.3.22 £	Year Ended 31.12.20 £
Cash flows (used in)/from operating activities			
Cash generated from operations	19	<u>(87,296)</u>	<u>84,809</u>
Net cash (used in)/from operating activities		<u>(87,296)</u>	<u>84,809</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(15,541)	(9,989)
Interest received		<u>730</u>	<u>569</u>
Net cash used in investing activities		<u>(14,811)</u>	<u>(9,420)</u>
 Change in cash and cash equivalents in the reporting period		 <u>(102,107)</u>	 <u>75,389</u>
Cash and cash equivalents at the beginning of the reporting period		<u>217,270</u>	<u>141,881</u>
 Cash and cash equivalents at the end of the reporting period		 <u><u>115,163</u></u>	 <u><u>217,270</u></u>

The notes form part of these financial statements

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For The Period Ended 31 March 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Faversham Counselling Service Limited is a charitable company limited by guarantee registered in England and Wales. In the event of the charity being wound up the liability to members in respect of the guarantee is limited. The address of the registered office is given in the charity information on page 9 of the report of the trustees. The nature of the charity's operations and principal activities is the provision of professional counselling.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

After making appropriate enquiries, the Trustees have reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Reporting period

The charitable company has changed its accounting year end to 31 March 2022 to align with the funding timelines of the NHS. Therefore these financial statements cover a fifteen-month period from 1 January 2021 to 31 March 2022 and therefore not comparable with the comparatives.

Income

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

NHS contract income is recognised when the charity is able to charge for the services provided under their contracts and as recognised by the IAPT system. Income received in advance of the services being provided is included as deferred income.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company, this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the schemes are charged to the Statement of Financial Activities in the period to which they relate.

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued For The Period Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Individual assets costing £200 or more are capitalised at cost. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	25% reducing balance
Computer equipment	Straight line over 3 years

Fixed asset investments

Fixed asset investments are initially recognised at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the Statement of Financial Activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Investment income, gains and losses are allocated to the appropriate fund.

Leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Prior period adjustment

An adjustment has been made to the prior period to present the gain on investments included within investment income separately on the Statement of Financial Activities. There was no impact on the result of the prior period, nor on net assets.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds		Restricted Funds		Total Funds	
	31/03/2022	31/12/2020	31/03/2022	31/12/2020	31/03/2022	31/12/2020
	£	£	£	£	£	£
Kent and Medway CCG	-	-	69,000	-	69,000	-
Total	-	-	69,000	-	69,000	-

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds		Total Funds	
	31/03/2022	31/12/2020	31/03/2022	31/12/2020	31/03/2022	31/12/2020
	£	£	£	£	£	£
Counselling services	871,965	612,561	533,954	210,202	1,405,919	822,763
Total	871,965	612,561	533,954	210,202	1,405,919	822,763

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period Ended 31 March 2022

4. INVESTMENT INCOME

	Unrestricted Funds		Restricted Funds		Total Funds	
	31/03/2022	31/12/2020	31/03/2022	31/12/2020	31/03/2022	31/12/2020
	£	£	£	£	£	£
Investment income	730	569	-	-	730	569
Total	730	569	-	-	730	569

5. ANALYSIS OF CHARITABLE EXPENDITURE

UNRESTRICTED FUNDS

	Direct costs		Support Costs		Total	
	31/03/2022	31/12/2020	31/03/2022	31/12/2020	31/03/2022	31/12/2020
	£	£	£	£	£	£
Counselling services	496,734	34,181	382,908	477,579	879,642	511,760
Total	496,734	34,181	382,908	477,579	879,642	511,760

5. ANALYSIS OF CHARITABLE EXPENDITURE

RESTRICTED FUNDS

	Direct costs		Support Costs		Total	
	31/03/2022	31/12/2020	31/03/2022	31/12/2020	31/03/2022	31/12/2020
	£	£	£	£	£	£
Employment costs	551,204	210,202	-	-	551,204	210,202
Total	551,204	210,202	-	-	551,204	210,202

FAVERSHAM COUNSELLING SERVICE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
For The Period Ended 31 March 2022**6. ANALYSIS OF DIRECT COSTS**

	Total Funds	
	31/03/2022	31/12/2020
	£	£
Staff costs	924,613	-
Counsellors	99,285	214,702
Room hire	24,040	29,681
Total	1,047,938	244,383

7. ANALYSIS OF SUPPORT COSTS

	Total Funds	
	31/03/2022	31/12/2020
	£	£
Staff costs	167,135	348,356
Depreciation	4,099	3,816
Loss on sale of tangible fixed assets	3,689	-
Insurance	3,044	1,439
Telephone	10,343	4,589
Postage and stationery	4,440	4,253
Advertising	4,159	180
Other costs	9,179	14,161
Travel	255	397
IT expenses	49,533	27,139
Accountancy and bookkeeping	13,340	5,482
Legal and professional fees	15,367	504
Director of Services management fees	63,408	61,606
Consultants	22,085	-
Repairs and maintenance	488	586
Cleaning	2,108	790
Subscriptions	1,081	816
Bank charges	155	105
Governance costs	9,000	3,360
Total	382,908	477,579

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period Ended 31 March 2022

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 March 2022 nor the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 March 2022 nor the year ended 31 December 2020.

9. NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS

Net income/(expenditure) and net movement in funds is stated after charging/(crediting):

	Period Ended 31.3.22	Year Ended 31.12.20
	£	£
Depreciation	4,099	3,816
Auditors' remuneration for audit services	9,000	-
Auditors' remuneration for non-audit services	13,340	-
Independent examination fees	-	1,400
Loss on disposal of fixed assets	3,689	-
Operating lease rentals	15,992	20,272

10. STAFF COSTS AND REMUNERATION OF KEY PERSONNEL

	Period Ended 31.3.22	Year Ended 31.12.20
	£	£
Wages and salaries	987,011	319,927
Social security costs	85,819	23,422
Other pension costs	18,918	5,007
	1,091,748	348,356

The average monthly number of employees during the period was as follows:

Period Ended 31.3.22	Year ended 31.12.20
39	14

The total employment benefits including employer pension contributions of the key management personnel were £8,243 (2020: £nil)

No employees received emoluments in excess of £60,000.

FAVERSHAM COUNSELLING SERVICE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
For The Period Ended 31 March 2022**11. AUDITOR'S REMUNERATION**

The auditor's remuneration of £9,000 (2020:£nil) related solely to the audit with additional work being undertaken of £13,340 (2020: £nil) in relation to other accountancy services.

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2021	5,501	21,763	27,264
Additions	602	14,939	15,541
Disposals	<u>(2,276)</u>	<u>(10,757)</u>	<u>(13,033)</u>
At 31 March 2022	<u>3,827</u>	<u>25,945</u>	<u>29,772</u>
DEPRECIATION			
At 1 January 2021	4,238	14,592	18,830
Charge for period	257	3,842	4,099
Eliminated on disposal	<u>(1,466)</u>	<u>(7,878)</u>	<u>(9,344)</u>
At 31 March 2022	<u>3,029</u>	<u>10,556</u>	<u>13,585</u>
NET BOOK VALUE			
At 31 March 2022	<u>798</u>	<u>15,389</u>	<u>16,187</u>
At 31 December 2020	<u>1,263</u>	<u>7,171</u>	<u>8,434</u>

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2021	18,613
Revaluations	1,943
At 31 March 2022	<u>20,556</u>
NET BOOK VALUE	
At 31 March 2022	<u>20,556</u>
At 31 December 2020	<u>18,613</u>

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period Ended 31 March 2022

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2020
	£	£
Trade debtors	-	1,040
Other debtors	-	653
Accrued income	219,307	91,163
Prepayments	9,432	7,858
	<u>228,739</u>	<u>100,714</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2020
	£	£
Trade creditors	12,500	21,775
Social security and other taxes	22,565	20,059
Other creditors	4,016	1,912
Accruals	10,605	17,072
	<u>49,686</u>	<u>60,818</u>

16. OPERATING LEASE COMMITMENTS

Minimum lease payments under operating leases fall due as follows:

	2022	2020
	£	£
Net obligations repayable:		
Within one year	2,167	-
Between one and five years	-	-
	<u>2,167</u>	<u>-</u>

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period Ended 31 March 2022

17. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	284,213	(5,004)	279,209
Restricted funds			
Outreach Worker and Graduate Psychologist salary support	-	51,750	51,750
TOTAL FUNDS	<u>284,213</u>	<u>46,746</u>	<u>330,959</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended /transfers £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	872,695	(879,642)	1,943	(5,004)
Restricted funds				
HIT and PWP salary support	533,954	(533,954)	-	-
Outreach Worker and Graduate Psychologist salary support	69,000	(17,250)	-	51,750
	<u>602,954</u>	<u>(551,204)</u>	<u>-</u>	<u>51,750</u>
TOTAL FUNDS	<u>1,475,649</u>	<u>(1,430,846)</u>	<u>1,943</u>	<u>46,746</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	181,506	102,707	284,213
TOTAL FUNDS	<u>181,506</u>	<u>102,707</u>	<u>284,213</u>

FAVERSHAM COUNSELLING SERVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Period Ended 31 March 2022

17. MOVEMENT IN FUNDS (continued)

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	613,130	(511,760)	1,337	102,707
Restricted funds				
HIT and PWP salary support	210,202	(210,202)	-	-
TOTAL FUNDS	<u>823,332</u>	<u>(721,962)</u>	<u>1,337</u>	<u>102,707</u>

18. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes;

	Movement in funds				
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
HIT and PWP trainee salary support	-	533,954	(533,954)	-	-
Outreach Worker and Graduate Psychologist salary support	-	69,000	(17,250)	-	51,750
	<u>-</u>	<u>602,954</u>	<u>(551,204)</u>	<u>-</u>	<u>51,750</u>

HIT and PWP trainee salary support – this funding was received from both Health Education England and Kent and Medway CCG to fund the salaries of the HIT (High Intensity Training) and PWP (Psychological Wellbeing Practitioner) trainees.

Outreach Worker and Graduate Psychologist salary support – this funding was received from the Kent and Medway CCG for the salaries of the Outreach Worker and Graduate Psychologist. The charity received £69,000 in the period, with £17,250 spent during the period and £51,750 carried forward which will be spent in the subsequent year.

FAVERSHAM COUNSELLING SERVICE LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
For The Period Ended 31 March 2022**19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Period Ended 31.3.22 £	Year Ended 31.12.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	46,746	102,707
Adjustments for:		
Depreciation charges	4,099	3,816
Interest received	(730)	(569)
Gain on fixed asset investments	(1,943)	(1,337)
Loss on disposal of fixed assets	3,689	-
Increase in debtors	(128,025)	(43,616)
(Decrease)/increase in creditors	(11,132)	23,808
Net cash provided by operations	(87,296)	84,809

20. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	<u>217,270</u>	<u>(102,107)</u>	<u>115,163</u>
	<u>217,270</u>	<u>(102,107)</u>	<u>115,163</u>
Total	<u>217,270</u>	<u>(102,107)</u>	<u>115,163</u>

21. RELATED PARTY TRANSACTIONS

During the period payments were made totalling £58,631 (2020: £61,606) for management services from Cloak & Dagger Limited, a company for whom Sarah Pearce, managing director of Faversham Counselling Service Limited is the sole director. As at 31 March 2022 £nil (2020: £5,099) was outstanding.

During the period payments were made totalling £17,208 (2020: £nil) for management services provided by Michelle Ford, who became the CEO of Faversham Counselling Service Limited. No amounts were outstanding at 31 March 2022.

22. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,412 (2020: £5,007).