

**THE FOUNDATION FOR PSYCHOTHERAPY AND COUNSELLING
DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

Godfrey Wilson Limited

Fifth Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

**The Foundation for Psychotherapy and Counselling
Directors' Report and Unaudited Financial Statements
For The Year Ended 30 June 2021**

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**The Foundation for Psychotherapy and Counselling
Company Information
For The Year Ended 30 June 2021**

Directors	Richard Burgess Elizabeth Kent Christine McKenzie Lloyd Peckham Jane Mary Rose Thompson
Secretary	Jonathan Isaac
Company Number	03610301
Registered Office	5 Maidstone Buildings Mews 72-76 Borough High Street London SE1 1GN
Accountants	Godfrey Wilson Limited Fifth Floor Mariner House 62 Prince Street Bristol BS1 4QD
Bankers	HSBC 8 Canada Square London E14 5HQ
Solicitors	Hempsons 40 Villiers Street London WC2N 6NJ

The directors present their report and the financial statements for the year ended 30 June 2021.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

FPC is a private not-for-profit company limited by guarantee, registered in England and Wales under registration number 03610301 and is governed by its Articles.

FPC is the professional home for graduates of WPF Therapy. Run by our members, we represent the interests of our members. For graduates and trainees, we help foster their sense of belonging and their professional development.

Principal Activity

The principal activities of the company in the year under review were to promote education and undertake training for those involved in psychotherapy and counselling, and to support the education of the general public as to the use and value of counselling and psychotherapy within the community.

Not-for-Profit Status

Clause 5 of the Articles requires that the income and property of the company shall be applied solely towards the promotion of the objects of the Company as set forth in the Articles, and that none of the income or property of the Company may be paid or transferred directly or indirectly by way of a dividend bonus or otherwise by way of profit to any member of the Company and that no director may be employed by, or receive any remuneration from, or receive any other financial benefit, from the Company, unless the payment is permitted by Articles 13 to 17.

Review of Business

Total expenditure increased slightly from £106,616 in 2019/20 to £108,663 in 2020/21. Total income increased from £130,343 in 2019/20 to £136,116 in 2020/21. The resulting surplus of £27,453 takes reserves comfortably above the minimum level set by the Board for the first time in 8 years.

The increased value of membership encouraged a further 18 lapsed professional members to re-join (62 having now re-joined over the last two years), taking professional membership to 471, an increase of over 5%. Total membership (including retired and trainee members) increased from 558 in 2019/20 to 588 in 2020/21.

An average of 526 members received a free subscription to BJP. The annual cost of an individual subscription to BJP is £67. The total value of this benefit is £35,242.

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**The Foundation for Psychotherapy and Counselling
Directors' Report (continued)
For The Year Ended 30 June 2021**

Review of Business - continued

430 members received a free subscription to PEP-Web. The annual cost of an individual subscription to PEP-Web is \$144, approximately £104. The total value of this benefit is £44,720.

119 members opted to subscribe to IJP at the discounted price of £75. The annual cost of an individual subscription to IJP is £227, the discount is worth £152. The total value of this benefit is £18,088.

We held a total of 169 CPD events, all of which were free to attend. A total of 2,575 CPD hours were generated. The total value of this benefit is £25,750.

UKCP/CPJA charges Direct Members £200 for their 5-yearly reaccreditation. We provide this service to our UKCP registrants free of charge. 48 members reaccredited in 2020. The total value of this benefit is £9,600.

The grand total of all tangible benefits for the 2020/21 membership year is £133,400. Members paid total fees of £136,045. This is a cost/benefit ratio of 98%, just short of our target ratio of at least 100%.

The work of FPC would not be possible without the significant voluntary commitment of many members participating in committees and organising events. At the 2021 AGM, 6 members were awarded Fellowship of FPC in recognition of their contribution to FPC.

The Board met 5 times during the year. The Ethics Committee continued to meet regularly through the year. The Trainee Liaison Committee continued their good work in supporting trainees as they approach graduation.

Future Developments

Membership fees for 2021/22 have been held at the same level as in 2020/21. For the 2021/22 membership year, all tangible benefits will continue. The expansion of our CPD events programme is expected to generate a total of at least 3,000 CPD hours. Further opportunities to expand the range of benefits will be explored. The Board will continue to focus on enhancing the value of member benefits with a target of achieving a cost/benefit ratio of at least 100% in 2021/22.

The Board will be conducting a major Strategic Review in 2022. The first for 10 years. The findings from the review will inform the development of the organisation for the coming years.

Reserves

The Directors believe that the company should hold freely available financial reserves (the "Emergency Operating Reserve" - EOR) because it has no endowment funding and is entirely dependent for income upon membership fees, which is inevitably subject to fluctuation, and it requires protection against, and the ability to continue operating despite, catastrophic or lesser, but damaging, events. The Directors believe that the minimum level of the EOR should be the equivalent of three months' operating costs, and that the maximum level of the EOR should be the equivalent of six months' operating costs, calculated and reviewed annually. At 30 June 2021 the level of EOR stood at £50,749 (30 June 2020: £23,359), which is within the required range for the current year. The Directors have set a budget for 2020/21 that will maintain the EOR within the agreed levels and will continue to do so over the coming years. The Directors believe that the EOR should be maintained at the desired level consistent with the company's overall financial position and its need to maintain and develop its activities.

Reserves, in addition to the EOR, are held in designated funds for future investment to develop new and enhanced services. There are currently no reserves held in designated funds.

Internal Financial Control

The company has in place systems of internal control. They are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A rolling plan and an annual budget and operational plan approved by the Directors;

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**The Foundation for Psychotherapy and Counselling
Directors' Report (continued)
For The Year Ended 30 June 2021**

Future Developments - continued

- A number of matters are specifically reserved for the Directors' approval;
- There is a clear organisational structure with appropriate lines for reporting;
- Regular consideration by the Directors of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews;
- The development of policy documents covering major strategic and operational activities reviewed with appropriate regularity and consultation; and
- The delegation by the Directors to the Company Secretary of the identification and management of risks.

Risk Management

The Directors conduct an annual review of the risks to which the company is exposed and systems are established to monitor and mitigate those risks.

At the 2021 review the Directors identified 28 low risks, no medium risks and no high risks. For all risks, control procedures are in place.

Structure of governance

Up to eight Directors are elected by the members at the Annual General Meeting, and up to four Directors are appointed by the Board, for periods of three years. Vacancies for Elected Directors may be filled by co-option by the Board for the period until the next Annual General Meeting. The Board appoints the Chair, Vice-Chair and any other Officers.

Directors

The directors who held office during the year were as follows:

Richard Burgess	
Lisa Ferguson	RESIGNED 06/03/2021
Elizabeth Kent	
Christine McKenzie	APPOINTED 11/11/2020
Lloyd Peckham	
Jane Mary Rose Thompson	

Small Company Rules

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

On behalf of the board

RL Burgess

Richard Burgess

Director

23/10/2021

**The Foundation for Psychotherapy and Counselling
Accountant's Report
For The Year Ended 30 June 2021**

Chartered Accountant's report to the directors on the preparation of the unaudited statutory accounts of The Foundation for Psychotherapy and Counselling For The Year Ended 30 June 2021

In order to assist you to fulfil your duties under the Companies Act 2006, I have prepared for your approval the accounts of The Foundation for Psychotherapy and Counselling For The Year Ended 30 June 2021 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given to us.

As a practising member of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the directors of The Foundation for Psychotherapy and Counselling, as a body, in accordance with the terms of our engagement letter dated 14 September 2021. Our work has been undertaken solely to prepare for your approval the accounts of The Foundation for Psychotherapy and Counselling and state those matters that we have agreed to state to the directors of The Foundation for Psychotherapy and Counselling, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Foundation for Psychotherapy and Counselling and its directors, as a body, for our work or for this report.

It is your duty to ensure that The Foundation for Psychotherapy and Counselling has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit or loss of The Foundation for Psychotherapy and Counselling. You consider that The Foundation for Psychotherapy and Counselling is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit of the accounts of The Foundation for Psychotherapy and Counselling. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Rob Wilson FCA

23/10/2021

Godfrey Wilson Limited

Fifth Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

**The Foundation for Psychotherapy and Counselling
Income and Expenditure Account
For The Year Ended 30 June 2021**

	Notes	2021 £	2020 £
TURNOVER	2	136,105	130,012
GROSS SURPLUS		136,105	130,012
Administrative expenses		(108,661)	(106,615)
OPERATING SURPLUS		27,444	23,397
Other interest receivable and similar income		11	330
SURPLUS BEFORE TAXATION		27,455	23,727
Tax on Surplus	4	(2)	(49)
SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR		27,453	23,678

The notes on pages 9 to 11 form part of these financial statements.

**The Foundation for Psychotherapy and Counselling
Balance Sheet
As at 30 June 2021**

	Notes	2021		2020	
		£	£	£	£
FIXED ASSETS					
CURRENT ASSETS					
Debtors	6	-		1,000	
Cash at bank and in hand		169,227		135,649	
			169,227		136,649
Creditors: Amounts Falling Due Within One Year	7	(118,478)		(113,353)	
			50,749		23,296
NET CURRENT ASSETS (LIABILITIES)			50,749		23,296
TOTAL ASSETS LESS CURRENT LIABILITIES			50,749		23,296
NET ASSETS			50,749		23,296
Income and Expenditure Account			50,749		23,296
MEMBERS' FUNDS			50,749		23,296

The Foundation for Psychotherapy and Counselling
Balance Sheet (continued)
As at 30 June 2021

For the year ending 30 June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

On behalf of the board

J. Mary Rose Thompson

Jane Mary Rose Thompson

Director

23/10/2021

The notes on pages 9 to 11 form part of these financial statements.

The Foundation for Psychotherapy and Counselling
Notes to the Financial Statements
For The Year Ended 30 June 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

1.3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. The company only capitalises fixed assets with a cost of more than £1,000. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	25% straight line
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1.4. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from surplus as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable surplus. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable surplus will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in surplus or deficit, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

The Foundation for Psychotherapy and Counselling
Notes to the Financial Statements (continued)
For The Year Ended 30 June 2021

2. Turnover by Geographic Analysis

Company turnover derived from the United Kingdom.

3. Average Number of Employees

Average number of employees, including directors, during the year was as follows: NIL (2020: 1)

4. Tax on Surplus

	Tax Rate		2021	2020
	2021	2020	£	£
UK Corporation Tax	19.0%	19.0%	2	49
Total Current Tax Charge			2	49
Total tax charge for the period			2	49
			2021	2020
			£	£
Profit before tax			27,455	23,727
Breakdown of Tax Charge is:				
Tax on profit at 19% (UK standard rate)			5,216	4,510
Prior period adjustment			-	(14)
Revenue exempt from taxation			(5,214)	(4,447)
Total tax charge for the period			2	49

5. Tangible Assets

	Fixtures & Fittings
	£
Cost	
As at 1 July 2020	-
As at 30 June 2021	-
Depreciation	
As at 1 July 2020	-
As at 30 June 2021	-
Net Book Value	
As at 30 June 2021	-
As at 1 July 2020	-

The Foundation for Psychotherapy and Counselling
Notes to the Financial Statements (continued)
For The Year Ended 30 June 2021

6. Debtors

	2021	2020
	£	£
Due within one year		
Other debtors	-	1,000
	-	1,000
	-	1,000

7. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Corporation tax	2	63
Other taxes and social security	-	140
Deferred income	94,667	77,081
Accruals	23,809	36,069
	118,478	113,353
	118,478	113,353

8. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £10.

9. General Information

The Foundation for Psychotherapy and Counselling is a private company, limited by guarantee, incorporated in England & Wales, registered number 03610301. The registered office is 5 Maidstone Buildings Mews, 72-76 Borough High Street, London, SE1 1GN.

**The Foundation for Psychotherapy and Counselling
Detailed Income and Expenditure Account
For The Year Ended 30 June 2021**

	2021		2020	
	£	£	£	£
TURNOVER				
Membership fees		127,755		125,042
CPD Events		-		41
Subscription fees		8,350		4,929
		<u>136,105</u>		<u>130,012</u>
GROSS SURPLUS		136,105		130,012
Administrative Expenses				
Staff costs	54,630		61,695	
Office costs	2,805		9,887	
Conferences, meetings and events	1,382		2,771	
Subscription costs	47,602		30,281	
Admin costs	2,242		1,981	
		<u>(108,661)</u>		<u>(106,615)</u>
OPERATING SURPLUS		27,444		23,397
Other interest receivable and similar income				
Bank interest receivable	11		330	
		<u>11</u>		<u>330</u>
SURPLUS BEFORE TAXATION		<u>27,455</u>		<u>23,727</u>
Tax on Surplus				
Corporation tax charge	2		49	
		<u>(2)</u>		<u>(49)</u>
SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR		<u><u>27,453</u></u>		<u><u>23,678</u></u>