

**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY**

**REPORT OF THE BOARD OF TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31 MARCH 2011**

Atkinson Finch & Co  
Registered Auditors  
Chartered Accountants  
Central Chambers  
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FOR THE YEAR ENDED 31 MARCH 2011**

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**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY  
REPORT OF THE BOARD OF TRUSTEES  
FOR THE YEAR ENDING 31 MARCH 2011  
(INCORPORATING THE DIRECTORS' REPORT)**

The Board presents the report with the financial statements of the British Association for Counselling and Psychotherapy (BACP) Group for the year ended 31 March 2011

**Company Status**

BACP is a company limited by guarantee, without a share capital, and is a registered charity. The guarantee of each member is limited to £1. The governing document is the Articles of Association of the company and members of the Board of Trustees are directors of the company.

The company registration number is 2175320 (incorporated 8 October 1987)

The charity registration number is 298361

The registered office is BACP House, 15 St John's Business Park, Lutterworth, Leicestershire, LE17 4HB

**Basis of accounting**

The financial statements comply with the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (SORP 2005 2<sup>nd</sup> edition – May 2008), and with the Companies Act 2006

**Group Structure**

BACP has two wholly owned subsidiaries called BACP Enterprises Limited and BACP Research Foundation

BACP Enterprises Limited receives its main income from advertisements placed in Journals produced by BACP, online advertisements and events also make a contribution to income

BACP Research Foundation did not commence operations in the year, however expenditure totalling £55,834 relating to pre start up costs were incurred

**Structure, Governance and Management**

*Chair*

The Chair is elected by the members, and the Officers are appointed by the Trustees. The Board convenes four times each year and holds an additional 24 hour strategic planning event

*Trustees*

The Board of Trustees consists of between 7 and 11 members. Trustees serve for a term of three years, and may be appointed to serve for one further term. Appointment is by election announced at, and with effect from, the Annual General Meeting, which takes place between September-November each year, and postal ballots are conducted when necessary

Trustees are appointed by election from the membership of the Association by single transferrable vote, supervised by an external organisation appointed by the President of the Association

<b>Name</b>	<b>Date of appointment/ resignation</b>	<b>Membership of other Committees</b>
Lynne Gabriel (Chair)	Elected 17/10/08	Strategic Direction Committee
Amanda Hawkins	Elected 06/10/06 Re-elected 09/10/09	Finance and Policy Committee (and Acting FaPC Chair from 17/6/10 to

	Elected Deputy Chair 15/11/10	1/2/11) Strategic Direction Committee
Janet Tolan	Elected 18/09/03 Re-elected 06/10/06 Re-elected 17/10/08 Resigned 15/11/10	Finance and Policy Committee (to 15/11/10)
John Cowley	Elected 16/10/04 Elected Deputy Chair 15/10/05 Resigned as Deputy Chair 17/10/08 <i>Currently completing elected term as Governor</i>	
Kathy Raffles	Elected 16/10/04 Re-elected 19/10/07 Resigned 15/11/10	
Gail King	Elected 06/10/06 Re-elected 17/10/08	
Faith Stafford	Elected 06/10/06 Re-elected 09/10/09	
Anna Hamilton	Elected 19/10/07	Finance and Policy Committee (from 1/2/11)
Elsbeth Schwenk	Elected 17/10/08	
Alec McGuire	Elected 09/10/09 Resigned 14/06/10	
Alan Dunnett	Elected 15/11/10	Finance and Policy Committee (and Chair from 2/2/11)

Some members of the Board of Trustees are also members of other Committees as detailed above  
Members of the Board of Trustees may attend other Committee meetings as required

All Trustees must be members of BACP and the members are able to nominate Trustees for election. The Board may co-opt members with the relevant skills and experience to fill any vacancies that may arise

On appointment each Trustee completes a register of interests. They are given a Trustee Handbook that includes the Articles of Association, Standing Orders of the Association, policies and procedures on issues such as delegation of authority, recruitment, equal opportunities, investment, reserves, conflict of interest, business expenses, and other guidance. It contains a role description for Trustees and a copy of various other, relevant, Charity Commission leaflets including 'The Essential Trustee: What you need to know' (CC3), Responsibilities of Charity Trustees – a Summary (CC3a) and Trustee Expenses and Payments (CC11).

The new Trustees meet with the Chair and Chief Executive and are invited to an induction meeting with senior staff and a tour of the office. Training needs are regularly assessed and met.

Company law requires the Board of Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and group, and of the surplus or deficit of the group for that year. In preparing these financial statements, the Board of Trustees is 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,
- follow applicable accounting standards and statements of recommended practice without any material departures, and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company and group will continue in business

The Board of Trustees is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, and to enable it to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2006, and the Statement of Recommended Practice for Accounting and Reporting by Charities (revised 2005 2<sup>nd</sup> edition – May 2008). It is also responsible for safeguarding the assets of the company and group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### *Statement as to disclosure of information to auditors*

So far as the Board of Trustees is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

#### *Management and Staffing*

BACP Trustees have delegated the management of BACP to the Chief Executive who reports on the performance against the Strategic Plan approved by the Trustees.

The Chief Executive and the Director of Finance report, via the Treasurer and Finance and Policy Committee, on the financial position, including the actual performance compared to budget. Management Accounts are received quarterly by the Board and regularly by the Finance and Policy Committee.

The Chief Executive, Mr L W Clarke, who is also the Company Secretary, has responsibility for planning and developing the services and strategies for BACP, within clear policies and protocols set by the Trustees.

The Chief Executive ensures that the staff team is recruited and supported to provide the skills and expertise needed to run a successful organisation, and that the values of BACP are observed. Particular attention to staffing structures and staff development continues to be a key factor and is managed through the following Directorate structure:

- Sally Aldridge – Director of Regulatory Policy
- Carl Boucher – Director of Information Communication Technology
- Beverley Brennan – Director of Human Resources and Customer Relations
- Simone Drakeford – Director of Finance
- Cristian Holmes – Director of Marketing, Communications and Membership
- Nancy Rowland – Director of Research, Policy and Professional Practice

The Chief Executive has direct line management of the Directorate team. The Senior Management Team includes the six Directors, plus the following:

- Sarah Browne – Head of Journals
- Helen Coles – Head of Professional Standards
- Gráinne Griffin – Head of Professional Conduct
- Andy Hill - Head of Research

The responsibilities of the Chief Executive include operational responsibility through the Directorate for Finance, Human Resources and Customer Relations, Marketing, Stakeholder Communications across the four home countries, Europe and internationally, Membership, PR and media strategy, Publications, Regulation, Research, Policy and Professional Practice and IT systems used by BACP

#### *Committees*

A number of supporting Committees for the Board have been established. These supporting Committees are as follows:

- Finance and Policy
- Professional and Ethical Practice (to 15/11/10)
- Professional Standards (to 15/11/10)
- Professional Ethical and Quality Standards (ratified by the Board on 24/9/10)
- Research Committee
- Strategic Direction

Following a period of consultation, led by an external consultant, the Professional and Ethical Practice and Professional Standards Committees collaboratively agreed the two Committees should stand down and a new Professional Ethics and Quality Standards Committee be established. This was duly and unanimously ratified by the Board of Governors and the recruitment process for a Chair and members commenced. The new Committee held its inaugural meeting on 15 April 2011. All Committees have their own Terms of Reference which are reviewed on an annual basis, and reports from the Committees are a standing Agenda item for the Strategic Direction Committee. The Finance and Policy Committee submits a full report at the Board meetings. The Board also receives reports from others, outside of our main work areas, as described later in this report.

Other Forums and Working Groups are set up as needed, and these include the following, established to facilitate learning and understanding throughout the Association's structure:

- Coaching Forum – which formally moved to a Divisional structure on 15/11/10
- Criminal Justice Forum
- Student Forum
- Online Supervision Expert Reference Group
- Professional Education and Development Forum (*formerly Training and Learning Forum*)
- Third Sector Expert Reference Group

BACP is very grateful to all its Committees, Forums and Working Groups and everyone who has helped to develop BACP's work and influence across all sectors.

#### **Membership of BACP**

The different categories of BACP membership are listed below. Members of each of these categories are also members of the Company and, have full voting rights.

- Student
- Associate
- Individual Member (closed category)
- Member MBACP

- Accredited
- Senior Accredited
- Organisational Member

The other category of membership is Affiliate, which does not have any voting rights

Full details of membership categories are available on the website, and application forms can be downloaded

### **Risk assessment**

During the year, the Finance and Policy Committee and the Board of Trustees have carried out an assessment of the risks to which the charity is exposed, particularly business, operational and financial. Subsequent to this, policy, procedures and reporting regimes have been introduced to manage and reduce the identified risks.

The Trustees have agreed clear lines of delegation and authority to staff, and have involved staff in recognition of risk in all their activities.

### **Objectives and aims**

Our vision

An emotionally healthy society

Our mission

To be relevant to members, clients and all those who influence the development and delivery of counselling and psychotherapy so that the profession continues to grow, develop and contribute to society in an equal and just manner.

Our objectives

BACP is established

- (i) to promote and provide education and training for counsellors and/or psychotherapists working in either professional or voluntary settings, whether full or part-time, with a view to raising the standards of counselling/psychotherapy for the benefit of the community and in particular for those who are the recipients of counselling/psychotherapy, and
- (ii) to advance the education of the public in the part that counselling and/or psychotherapy can play generally and in particular to meet the needs of those members of society where development and participation in society is impaired by mental, physical or social handicap or disability.

The income and property of the Association is used for the promotion of the aims and objectives summarised above. Importantly for BACP's members, and the general public, BACP is a registered charity, legally recognised as established and existing for charitable purposes only. This means that the funds raised do not profit the Association, its employees or Trustees and are used to achieve the above objectives, developing the Association for the benefit of its members and the community it serves.

In setting the Association's vision, mission and objectives, and ongoing strategic planning and related activity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, and in particular to raising public awareness of the benefits of counselling and psychotherapy, increasing public knowledge, understanding and awareness of therapy, sourcing evidence on the effectiveness and impact of therapy and enabling wider access to safe and accountable practice.

### **Our work today**

BACP seeks to advise, inform and influence national and international policy and procedures concerned with counselling and psychotherapy, offering information and guidance to those involved in the process. Through regular consultation the Association offers advice to, and is consulted by, Governments, professional bodies, funding organisations, teaching institutions and others throughout the UK on all counselling and psychotherapy matters.

Importantly a key element of BACP's role is to educate a field of stakeholders drawn from the public and members, legislators and policy developers. This educative task is expressed throughout this report.

The Association sets, promotes and maintains standards for the profession, is strongly committed to high practice standards and the protection of the public. This continues to be of the utmost importance in view of the approaching regulation of counselling and psychotherapy, which Government has now confirmed will not be statutory but through a process of voluntary regulation.

BACP's Ethical Framework for Good Practice in Counselling and Psychotherapy, with its Professional Conduct Procedure, ensures that its members abide by an accepted and approved code of conduct and accountability. This Ethical Framework, introduced in April 2002 and revised in February 2010, provides a core frame of reference for members to use in their relations with clients, colleagues, fellow members and the wider community. It safeguards both practitioners and members of the public alike. The Professional Conduct Department deals with any alleged breaches of conduct.

BACP sets and monitors its own advertising policy to ensure that both Accredited and non-Accredited members advertise their services in a way that does not misinform or mislead the public.

The Association has a reduced fee for all grades of individual membership and for its Accreditation schemes. This enables those with limited income to benefit from the support and recognition which accompanies BACP membership and Accreditation.

BACP also sets recognised and robust standards for the delivery of education and training. Through developing and promoting BACP's various Accreditation schemes as benchmarks for the highest standards of counsellor/psychotherapist training and practice it enables members to achieve a recognised level of excellence.

BACP's *Training Directory*, available on-line by subscription, contains details of course listings for Universities, Further Education Colleges and specialist training providers and other useful information including funding, awarding bodies, and a guide to theoretical approaches. An on-line *Trainee Placement Directory* is also available, enabling student members to search for a training placement that will meet the conditions of their training course.

BACP's Hoxter Educational bursary fund, to which students studying on BACP accredited courses can apply, contributes to BACP's aims and objectives of furthering education and training.

BACP disseminates information to members and the public through a wide range of books, guidelines, journals, Information Sheets and pamphlets, many of which are also available online. This includes publications for counsellors and psychotherapists, those receiving therapy, and purchasers of counselling services. The on-line *Seeking a Therapist Directory* specifically gives guidance to members of the public on choosing the most appropriate counsellor or psychotherapist according to their needs as well as information on counselling services and specialist organisations and has become an essential tool used by potential clients seeking a BACP practitioner.



Through a wide range of communication channels, BACP's Customer Service Team provides information and knowledge about counselling and psychotherapy to members and the general public for professional and/or personal support and guidance

BACP's Ethics and Client Helpdesks offer a service to members encountering ethical dilemmas in their practice and help clients with any queries about the counselling and psychotherapy process respectively

A wide portfolio of conferences, seminars, workshops and other training events is run each year, providing additional continuing professional development opportunities for counsellors and psychotherapists and other professionals. Equality and diversity are key in all of BACP's activities and initiatives, from both an internal and external perspective

BACP's PR, Media and Communications and Policy teams work to promote public knowledge and awareness of counselling and psychotherapy, as well as informing and communicating with members. The team plays a significant role in developing public understanding of the profession as counselling and psychotherapy's public profile is raised

BACP aims to undertake and commission research to encourage informed practice, to help researchers develop new skills in the field of research methods and support the generation and dissemination of new knowledge to promote a better understanding of counselling and psychotherapy and its effects. This work is underpinned by the publication of a Research Journal, Information Sheets and a variety of research reports

The *Ethical Guidelines for Researching Counselling and Psychotherapy* ensure that members of BACP who undertake research abide by an accepted and approved code of conduct, based on the concept of trust between researchers and researched. This provides a core framework for members to use in their work

The Research Network, facilitated by the Research Department, enables members to make direct contact via the Research Directory. This comprehensive directory is available free to BACP members and is used for information sharing and networking, averting duplication of work. BACP's Research pages can be found at <http://www.bacp.co.uk/research/>

BACP has a number of Divisions that represent crucial and important special interest groups within the Association's membership. Divisional activity has widened and increased to ensure that BACP is included in a variety of relevant initiatives across the four home countries. Whilst membership has continued to grow, research has been commissioned to further enhance the membership offering and attract new members. Current benefits include information provision, conferences and journals specifically related to the relevant sector and development of websites to further inform and support members. The work of each of the Divisions is described briefly below

- **Association for Independent Practitioners (AIP)** - represents the interests of independent practitioners. It provides the information and support necessary for the modern professional practitioner through a wide range of training opportunities, its website and a quarterly journal that keeps members up-to-date with the world of therapy through articles and discussion columns
- **Association for Pastoral and Spiritual Care and Counselling (APSCC)** - seeks to promote the values of the spiritual dimension, pastoral care and counselling and encourages the recognition of pastoral care and counselling as distinct yet complementary practices. APSCC members work in both the voluntary and paid sectors and come from a broad range of professional backgrounds
- **Association for University and College Counselling (AUCC)** - promotes student counselling as an integral part of the educational process in FE and HE institutions through the establishment and development of counselling networks both within and without the institution. AUCC seeks to promote and foster good practice through research, dissemination of knowledge, through its journal, website and annual conference, and resource provision. Members have access to up-to-date national and international information, research and publicity material

- **BACP Coaching (BACP C)** – formally established in November 2010, BACP C supports and advises members in the context of coaching practice and development in a variety of settings. It is working to provide a definition of coaching, which will identify implications for membership standards, identifying and agreeing standards for accreditation/assessment and categories of membership, exploring potential provision of publications, events, CPD and other initiatives relevant to coaching and evolving a communications strategy, aimed at a variety of stakeholders, around coaching.
- **BACP Healthcare (BACP H)** - provides a forum for those involved with counselling in GP surgeries, hospitals and other healthcare settings. It provides training, through a variety of conferences and publications, for therapists working in all professional healthcare settings with a view to maintaining standards of practice and service delivery.
- **BACP Workplace (BACP W)** - exists to promote best practice in workplace counselling and the provision of related employee support interventions, providing a mutual support network for individuals and organisations working in this area. It achieves this by facilitating local networks, influencing purchasers of counselling services and disseminating information through its journal, conferences, local consultation events and the BACP W website.
- **Counselling Children and Young People (CCYP)** - promotes, develops and supports counselling and psychotherapy for children and young people in a wide range of settings. The Division advocates for young people to have access to professional counselling, has published school counselling best practice guidelines, disseminates good practice and research findings through conferences and a quarterly journal and offers information to its members on ethical issues.

Further information on any of the Divisions is available from the Divisional Officer, [julie.camfield@bacp.co.uk](mailto:julie.camfield@bacp.co.uk)

### **Principal achievements for the year**

The principal activities and achievements for the year are summarised below

#### **Member Services**

- Membership is renewed annually and at 31 March 2011 BACP had 35,211 (2010 – 33,334) individual members and 1,087 (2010 – 1,098) organisational members. Student membership accounted for 13% of the total figure.
- Eight new Making Connections events, free to members, were held across all four home countries and attended by over 1,200 members. These events allowed members to be informed and consulted on relevant local and national issues.
- The first Committee Day, incorporating the Association's Annual General Meeting, Awards and Fellowship presentations, was held in London.
- A British Sign Language version of the Ethical Framework has been put on the website, together with Equality and Diversity web pages.
- Support procedures for Accreditation applicants with disabilities, diversity training for counselling students and service providers and BME counselling networking agencies have all been developed.
- Development and launch of online CPD modules.
- Over 70 BACP events were delivered throughout the year, attended by more than 5,000 delegates, covering a wide and diverse portfolio of training, information sharing and CPD opportunities. These included:
  - Two Student Conferences '*Making the Future Yours*'
  - A total of 37 Accreditation workshops and surgeries
  - Four '*Essential Law*' workshops
  - Divisional Conferences in Belfast, Edinburgh, London and Solihull
  - The second joint BACP/Welsh Assembly Government conference, supporting and endorsing school-based counselling in Wales
  - A Scottish Parliamentary Reception around the provision of school counselling in Scotland
  - Sector and geographical member networking meetings

- Further development of the Member area of the BACP website including the introduction of BACP Connect, a project offering a social networking site to members
- A 30% increase in the website design and hosting service to members
- A 10% increase in online advertising of member websites
- A new online CPD directory enabling providers to list their CPD courses for BACP members
- Between 75-80 pieces a month appeared across a wide range of media from national newspapers to local radio
- Successful campaigns for greater media presence in Scotland to support BACP's improved activity and work on the agendas of de-stigmatising counselling, promoting the profession and the wellbeing agenda
- Approximately 60,000 telephone calls and over 6,000 email enquiries were dealt with during the year, 10,000 of which related to a variety of ethical issues
- A membership survey was carried out to determine the challenges facing BACP in the future
- Development of a competency framework for delivery of counselling within the IAPT programme, and national curriculum for training
- A Practice Research Network (PRN) for school-based counselling was established to foster practice-based research within the sector
- Commissioning of new systematic reviews and updating others
- Responses given to over 170 research enquiries
- Creation of a database holding over 81,000 academic references and abstracts allowing the Research team to provide enquirers with robust research information

### ***Public Benefit***

BACP has complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit. Summarised below are the main activities undertaken to further its charitable purposes for the public benefit

- Providing information on counselling and psychotherapy to assist in the alleviation of mental distress and promote wellbeing
- Securing good media visibility to de-stigmatise counselling and psychotherapy and promote the wellbeing agenda and profession
- Further development of the interactive, public-facing, website [www.itsgoodtotalk.org.uk](http://www.itsgoodtotalk.org.uk). The website aims to de-mystify counselling and psychotherapy through education and understanding and with over 30,000 visitors a month is proving to be a much-needed resource for people seeking information about the profession and BACP
- The on-line *Seeking a Therapist* directory, plus a variety of Information Sheets and publications offering clear information about therapy and good practice standards to assist with public education and understanding
- Widening access and encouraging a more diverse range of therapists within membership of the Association, in particular from under-represented groups in society, so as to be better equipped to meet the needs of society
- A campaign to ensure all children and young people in the UK have equal access to counselling in schools
- Ongoing work with the Welsh Assembly Government to evaluate its National Strategy for School-based counselling
- Participation in the Wales Mental Health in Primary Care Network, to educate healthcare clinicians about good practice
- A poster and leaflet campaign to GP practices to educate the public about counselling and how to access services
- 'Open' events to increase learning and knowledge on specific therapy-related subjects
- Supporting and directly contributing to Government-led initiatives to widen access to therapy and influencing its mental health strategy for the benefit of service users

- Working with Government and other stakeholders in the regulatory field to ensure an appropriate voluntary regulatory model is achieved that will deliver public protection through high standards of training, conduct and ongoing CPD
- BACP has endorsed the '*We Need to Talk*' and '*Time to Change*' campaigns, and the National Dementia Declaration and is commissioning research into the effectiveness of counselling for carers of people with dementia
- Identification of ethical and competent therapists and high quality services through a variety of accreditation schemes. In addition, a CPD Endorsement Scheme, that quality assures CPD events, was launched in October 2010
- The Association's robust and transparent professional conduct procedures are recognised by other professional organisations in terms of consultancy and by clients/the public should they need to access and pursue action in this context

## **Policy and Campaigns**

BACP has been involved in a variety of campaigns, as previously described

The Association's work in seeking to influence, and keep members informed of, legislative changes is highly regarded and valued by organisations wishing to consult. The Policy team initiated a number of parliamentary questions in the UK and Scottish Parliaments and the Northern Ireland and Welsh Assemblies, correspondence with Ministers and opinion-formers, provided briefings for Parliamentary debates and supported members with information on various issues relevant to the profession

BACP responded to 38 public consultations, across the four home countries, on a variety of topics including legislative changes, mental health and wellbeing issues

Within the regulatory arena, BACP's work has included,

- Regular meetings with Ministers, Department of Health civil servants, the Health Professions Council (HPC) and the Council for Healthcare Regulatory Excellence (CHRE) as well as with other major professional therapy associations
- Engagement with Government and other stakeholder groups to explore options in the context of voluntary regulation to ensure an appropriate system which will offer public benefit and be 'fit for purpose' is achieved
- Member communications to inform and update as a result of Government's decisions
- Mapping practitioner training in counselling, psychotherapy and coaching
- Involvement with a number of national committees, project and stakeholder groups, including IAPT Education and Training Sub-Committee, the HPC's Professional Liaison Group for Counsellors and Psychotherapists, and the National Audit for Psychological Therapies for anxiety and depression

## **Publications**

BACP offers a wide range of publications to support its objectives and mission. These are regularly reviewed and enhanced to ensure they continue to offer value and remain relevant to the different audiences, and include the following,

- *Therapy Today*
- *Counselling and Psychotherapy Research (CPR)*
- Divisional journals
- *Essential Law for Counsellors and Psychotherapists* and '*Case Study Research in Counselling and Psychotherapy*' – co-published with Sage
- AUCC's *Guidelines for University and College Counselling*
- *Guidelines for Good Practice: Counselling in Schools*

- *Ethical Considerations When Working with Couples, How to Design and Conduct Research Interviews and Audio and Video Recordings of Therapy Sessions* were among the Information Sheets added to the ever-growing list which now numbers in excess of 60 on a wide range of topics. All are available to download from the website.
- *Training the Trainers* manual

The newly improved website, *Therapytoday.net*, was launched in December 2010 to complement *Therapy Today*. A CPR web portal was also launched during the year.

### **Developing Operations**

During the year the following development operations occurred:

- Commissioning and delivery of Counselling for Depression training within the Improving Access to Psychological Therapy (IAPT) services
- Research and consultation on how the Association communicates with its members which will inform and ensure effective communication protocols in the future
- Development of BACPNews on Twitter and embracing technology in all areas of activity to suit the changing times and requirements
- Evolution of a 'Professional Journey' model, including specialist categories of BACP Accreditation
- Continuing, innovative, work to support members through the Accreditation processes
- A survey to evaluate the effectiveness of the Ethics (formerly Information) Service

### **Volunteers**

The part played by volunteers in achieving the Association's objectives is huge. Without the many volunteers that serve on its Committees, Forums and Working Groups, and numerous speakers at member events, BACP would be unable to carry out the wide variety of work on which members have come to rely.

Honoraria payments made to volunteers during the year amounted to £1,719 (2010 - £2,442).

### **Priorities for 2011 and beyond**

A review of activity against the Strategic Plan has highlighted priorities for the coming year, which include:

- Developing and improving communication methods and protocols
- Reviewing the media plan and activity
- Developing a pilot of training days specifically aimed at niche topics
- Launching a new Events website.
- Raising the profile and awareness of equality and diversity issues across the Association
- Improving access to all BACP products and services
- Reviewing the portfolio of Divisional journals
- Development of registers that will meet the criteria for quality assured voluntary registers and dissemination of information on entry mechanisms to members
- Monitoring the implementation of the strategy for delivery of psychological therapy in Northern Ireland to ensure access and patient choice are not reduced
- Ongoing expansion and delivery of online counselling and psychotherapy modules
- Supporting a randomised controlled trial of counselling in three schools
- Development of a core curriculum for supervision
- Ensuring continuing relevance to members

### **BACP Relationships**

BACP works proactively with members, including organisational members working in specific domains to encourage the exchange of knowledge and understanding with other professions, institutions and the Government and facilitate learning. The domains covered are as follows:

- Children and young people
- Coaching
- Criminal Justice
- Healthcare professionals
- Higher and Further Education
- Independent practice
- Professional Education and Development
- Spiritual and Pastoral
- Student
- Supervision and CPD
- Third Sector
- Workplace

This report on the activities of BACP takes place against an evolving and changing socio-economic, political and scientific background, where new emerging issues appear on a continuous basis. Detailed information on all BACP activity for the year under review can be found on the website at [www.bacp.co.uk](http://www.bacp.co.uk)

### **Review of Financial Position**

The Association remains in a healthy financial position in line with its reserves policy

There are sufficient funds available to carry out the Strategic Plan of the Association over the forthcoming year and, in particular, the activities concerning the regulation of the counselling and psychotherapy profession

### **Reserves Policy**

The Board of Trustees has established a policy whereby the unrestricted general funds held by the charity should represent the funds needed if the charity ceases to operate. The funds required to wind-up the charity are estimated at £1,653,000, with cash reserves standing at £1,310,905

The Board of Trustees reviews the reserves policy annually

Currently Group reserves total £3,284,785, of which £2,760,576 is held in an unrestricted general fund. A total of £458,685 is held in designated funds of which £78,327 relates to the BACP Research Foundation and £380,358 for special projects. The remaining £65,524 relates to a Property Revaluation and would only be realised on the sale of the Freehold Property known as BACP House, Lutterworth. The property has been valued at £2,600,000 on which there is a mortgage liability of £160,211 as at 31 March 2011

### **Investment Policy**

Kleinwort Benson Private Bank Limited (KBPB) provides discretionary investment management services of the investment portfolio

The investment objectives criterion is based on maximum total gross return, by generating growth through capital appreciation in the value of shares and the reinvestment of income as generated from dividends and complying with the BACP policy on ethical investment

KBPB is regulated by the Financial Services Authority and is a member of the London Stock Exchange. The results for the year are set out in notes 10 and 17

### **Tangible fixed assets**

Information relating to changes in the fixed assets is shown in note 9 to the financial statements

**Related Parties**

Details of transactions with related parties are shown in notes 4 and 19 to the financial statements

**Post Balance Sheet Events**

There have been no material post balance sheet events which require disclosure

**Officers' Insurance**

The company has effected Officers' Liability Insurance. This insurance indemnifies any officer against liability arising as a result of his/her negligence up to an aggregate liability of £1,000,000. The cost of this insurance amounted to £578 (2010 - £697) for the year

**PROFESSIONAL ADVISERS**

**Auditors:** Atkinson Finch & Co  
Central Chambers  
45-47 Albert Street  
Rugby, CV21 2SG

**Solicitors.** Brethertons  
16 Church Street  
Rugby, CV21 3PW

**Bankers.** Lloyds Bank Plc  
14 Church Street  
Rugby, CV21 3PL

Russell Cooke  
8 Bedford Row  
London, WC1R 4BX

**Investment Brokers:** Kleinwort Benson Private Bank Limited  
30 Gresham Street  
London, EC2V 7PG

**ON BEHALF OF THE BOARD OF TRUSTEES**

L W Clarke  
Secretary

Date 1-7-11

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BRITISH ASSOCIATION FOR COUNSELLING AND PSYCHOTHERAPY**

We have audited the financial statements of British Association for Counselling and Psychotherapy group and company for the year ended 31st March 2011 on pages 18 to 30. 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).

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 auditors' 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.

### **Respective responsibilities of trustees and auditors**

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31st March 2011 and of the group's incoming resources and application of resources, including its income and expenditure, 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

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

- adequate 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.



S G Bolton (Senior Statutory Auditor)  
for and on behalf of Atkinson Finch & Co  
Chartered Accountants  
Central Chambers  
45-47 Albert Street  
Rugby  
Warwickshire  
CV21 2SG

Date 4-7-11



**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	UNRESTRICTED GENERAL FUNDS £	DESIGNATED FUNDS £	TOTAL 2011 £	TOTAL 2010 £
<b>INCOME AND EXPENDITURE</b>					
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
- Income from trading activities	4	332,380	-	332,380	374,731
- Donations		6,900		6,900	8,487
- Investment income	5	30,500	-	30,500	27,037
- Other income	6	147,045	-	147,045	178,542
Incoming resources from charitable activities					
- Income from departments	3	5,750,772	-	5,750,772	5,287,996
<b>TOTAL INCOMING RESOURCES</b>		<b>6,267,597</b>	<b>-</b>	<b>6,267,597</b>	<b>5,876,793</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds					
- Investment management costs		11,793	-	11,793	11,191
Charitable activities					
- Expenses of departments	3	5,760,976	19,642	5,780,618	5,529,784
- Research Foundation	4	-	55,834	55,834	11,865
Governance costs (refer to page 24)		77,489	-	77,489	76,873
<b>TOTAL RESOURCES EXPENDED</b>		<b>5,850,258</b>	<b>75,476</b>	<b>5,925,734</b>	<b>5,629,713</b>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>		<b>417,339</b>	<b>(75,476)</b>	<b>341,863</b>	<b>247,080</b>
<b>TRANSFERS BETWEEN FUNDS</b>					
		-	-	-	-
<b>OTHER RECOGNISED GAINS AND LOSSES</b>					
Gains/(Losses) on investment assets	17				
- Realised (disposal proceeds less opening market value)		(9,299)	-	(9,299)	65,399
- Unrealised (change in value for year)		67,749	-	67,749	216,459
		<b>58,450</b>	<b>-</b>	<b>58,450</b>	<b>281,858</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>475,789</b>	<b>(75,476)</b>	<b>400,313</b>	<b>528,938</b>
<b>BALANCE BROUGHT FORWARD AT 1 APRIL 2010</b>		<b>2,284,787</b>	<b>534,161</b>	<b>2,818,948</b>	<b>2,290,010</b>
<b>BALANCE CARRIED FORWARD AT 31 MARCH 2011</b>		<b>2,760,576</b>	<b>458,685</b>	<b>3,219,261</b>	<b>2,818,948</b>

All of the above results are derived from continuing activities and all losses recognised in the year are included above

Unrealised gains on investments have been included in the statement of financial activities as required by the Statement of Recommended Practice 'Accounting and Reporting by Charities'

The surplus for the year for Companies Act purposes comprises the net incoming resources for the year plus realised profits/(losses) on investments and was £332,564 (2010 - £312,479)

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY**

**CONSOLIDATED BALANCE SHEET  
AT 31 MARCH 2011**

	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	9	2,646,629		2,663,034	
Investments	10	1,219,695		1,174,340	
		<u>3,866,324</u>		<u>3,837,374</u>	
<b>CURRENT ASSETS:</b>					
Stocks	11	36,426		32,217	
Debtors	12	338,183		195,862	
Cash at bank and in hand		1,310,905		1,650,507	
		<u>1,685,514</u>		<u>1,878,586</u>	
<b>CREDITORS</b> Amounts falling due within one year	13	2,267,053		1,930,853	
<b>NET CURRENT (LIABILITIES)</b>			(581,539)		(52,267)
<b>CREDITORS</b> Amounts falling due after one year	14		-		(900,635)
<b>NET ASSETS</b>		<u>3,284,785</u>		<u>2,884,472</u>	
<b>UNRESTRICTED FUNDS:</b>					
Property revaluation reserve	16	65,524		65,524	
Designated Funds	18	458,685		534,161	
General income fund		2,760,576		2,284,787	
		<u>3,284,785</u>		<u>2,884,472</u>	

**ON BEHALF OF THE BOARD OF TRUSTEES**



L GABRIEL - CHAIR

Approved by the Board of Trustees on

1-7-11

Company limited by guarantee 2175320  
Registered in England & Wales  
Registered Charity 298361

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY**

**BALANCE SHEET  
AT 31 MARCH 2011**

	Notes	2011	2010
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	9	2,646,629	2,663,034
Investments	10	1,219,695	1,174,340
		<u>3,866,324</u>	<u>3,837,374</u>
<b>CURRENT ASSETS.</b>			
Stocks	11	36,426	32,217
Debtors	12	361,847	225,020
Cash at bank and in hand		1,264,028	1,601,736
		<u>1,662,301</u>	<u>1,858,973</u>
<b>CREDITORS: Amounts falling due within one year</b>	13	2,244,546	1,911,944
<b>NET CURRENT (LIABILITIES)</b>		(582,245)	(52,971)
<b>CREDITORS: Amounts falling due after one year</b>	14	-	(900,635)
<b>NET ASSETS</b>		<u>3,284,079</u>	<u>2,883,768</u>
<b>UNRESTRICTED FUNDS:</b>			
Property revaluation reserve	16	65,524	65,524
Designated Funds	18	458,685	534,161
General income fund		2,759,870	2,284,083
		<u>3,284,079</u>	<u>2,883,768</u>

**ON BEHALF OF THE BOARD OF TRUSTEES:**



**L. GABRIEL - CHAIR**

Approved by the Board of Trustees on

1-2-11

Company limited by guarantee 2175320  
Registered in England & Wales  
Registered Charity 298361

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY**

**CONSOLIDATED CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>477,475</b>	<b>384,962</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		
Payments to acquire tangible fixed assets	(22,734)	(45,419)
Proceeds from disposal of tangible fixed assets	2,853	140
Purchase of investments	(357,571)	(519,139)
Proceeds from sale of investments	317,297	592,460
	<b>(60,155)</b>	<b>28,042</b>
<b>INCREASE IN CASH IN THE YEAR</b>	<b>417,320</b>	<b>413,004</b>

**CASHFLOW INFORMATION FOR THE GROUP**

**(a) Reconciliation of changes in resources to net inflow/(outflow) from operating activities**

	2011 £	2010 £
Net incoming resources	341,863	247,080
Depreciation	36,286	41,564
Loss from disposal of tangible fixed assets	-	1,468
(Increase)/Decrease in stock	(4,209)	5,472
(Increase)/Decrease in debtors	(142,321)	42,074
Increase in creditors	245,856	47,304
<b>Net cash inflow from operating activities</b>	<b>477,475</b>	<b>384,962</b>

**(b) Reconciliation of net cash flow to movement in net funds/debt**

	2011 £	2010 £
Movement in net funds and debt in the year	417,320	413,004
Net funds and debt at 1 April 2010	807,504	394,500
<b>Net funds and debt at 31 March 2011</b>	<b>1,224,824</b>	<b>807,504</b>

**(c) Analysis of net funds/debt**

	1 April 2010 £	Cashflow £	31 March 2011 £
Cash at bank and in hand	1,650,507	(339,602)	1,310,905
Cash held by Investment Managers	127,499	(53,369)	74,130
Bank loans	(970,502)	810,291	(160,211)
	<b>807,504</b>	<b>417,320</b>	<b>1,224,824</b>

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR  
COUNSELLING AND PSYCHOTHERAPY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The accounts have been prepared under the historical cost convention as modified by the revaluation of listed investments and freehold property to market value, and comply with United Kingdom Generally Accepted Accounting Principles and Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005 2nd edition - May 2008) All figures are exclusive of value added tax

**Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its wholly owned subsidiaries on a line by line basis. A separate Statement of Financial Activities, or Income and Expenditure Account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and Paragraph 397 of SORP 2005

**Fund accounting**

General income funds are unrestricted funds which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the Board of Trustees for particular purposes

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. There are no restricted funds

**Incoming resources**

Subscriptions are accounted for in the period in which the service is provided. All other income is included in the period in which it is receivable

The value of services provided by volunteers has not been included

All income from departments is treated as furthering the charity's objectives since it either relates to the membership of an accredited body to enhance the public's confidence or the sale of publications and training aids and facilities to improve the standard of counselling and psychotherapy in the UK

**Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities

Operating leases

Operating lease rentals are charged to the Statement of Financial Activities on payment

Pensions

The company contributes towards the personal pension schemes of employees. Contributions are charged to the Statement of Financial Activities in the period in which they are made

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

**1 ACCOUNTING POLICIES (continued)**

**Resources expended (continued)**

**Irrecoverable value added tax**

As the membership subscriptions are exempt from value added tax, there is a restriction in the amount of input value added tax that the group is allowed to reclaim on its expenses

**Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £500 are capitalised and included at cost together with any incidental costs of acquisition

Depreciation is provided so as to write off the cost, less estimated residual value, of tangible fixed assets, over their estimated useful lives as follows

Freehold property	-	not provided
Computer equipment and accessories	-	25% per annum - straight line basis
Office furniture and equipment	-	20% per annum - straight line basis

The trustees have adopted a revaluation policy in respect of the freehold property in accordance with FRS15. As a result, no depreciation is provided on the freehold property as the trustees are of the opinion that the residual value is at least equal to the book value

**Stocks**

These are valued on a first in, first out basis, at the lower of cost and net realisable value

**Investments**

Listed investments are stated at market value on the balance sheet date

Realised and unrealised gains and losses are included in the Statement of Financial Activities

**2 COMPANY STATUS**

The company is a company limited by guarantee. All members guarantee an amount not to exceed £1 payable in the event of the company being wound up with a deficiency of net assets. At 31 March 2011 there were 36,298 members (2010 - 34,432)

**3 NET INCOME FROM DEPARTMENTS**

	2011			2010		
	Income	Expense	Surplus/ (deficit)	Income	Expense	Surplus/ (deficit)
	£	£	£	£	£	£
Membership	4,693,151	1,125,969	3,567,182	4,366,587	1,105,809	3,260,778
Professional Conduct	13,832	472,903	(459,071)	19,972	401,565	(381,593)
Events	38,123	441,922	(403,799)	129,465	476,560	(347,095)
Professional Standards	461,378	798,383	(337,005)	311,173	727,610	(416,437)
Information	1,968	286,770	(284,802)	1,688	274,453	(272,765)
Journals (formerly Publications)	441,056	394,714	46,342	427,170	346,044	81,126
Publications Sales	27,017	60,807	(33,790)	22,039	68,537	(46,498)
Public Relations	-	145,142	(145,142)	-	150,385	(150,385)
Research	67,930	630,643	(562,713)	6,400	561,556	(555,156)
Marketing	-	743,101	(743,101)	-	754,361	(754,361)
Regulatory & Policy	6,317	358,721	(352,404)	3,502	344,553	(341,051)
Customer Relationship Services	-	301,901	(301,901)	-	318,351	(318,351)
	<u>5,750,772</u>	<u>5,760,976</u>	<u>(10,204)</u>	<u>5,287,996</u>	<u>5,529,784</u>	<u>(241,788)</u>

SORP 2005 requires administrative and overhead costs to be allocated to the relevant department they support, this enables the total cost of a department to be disclosed in the Statement of Financial Activities  
See page 24 for further analysis

The notes form part of these financial statements

BRITISH ASSOCIATION FOR COUNSELLING  
AND PSYCHOTHERAPY

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011

	Membership	Professional Conduct	Events	Professional Standards	Information	Journals	Publications Sales	PR	Research	Marketing	Regulatory & Policy	Customer Relationship Services	Governance	2011 TOTAL	2010 TOTAL
STAFF COSTS	254,721	291,600	170,682	428,819	136,466	137,206	15,244	100,937	302,929	375,966	195,273	155,302	-	2,565,165	2,407,625
OTHER DIRECT COSTS	642,967	86,181	133,909	115,607	13,570	163,438	22,871	19,830	112,208	133,499	48,964	2,203	-	1,495,237	1,543,571
	897,688	377,781	304,591	544,426	150,036	300,644	38,115	120,777	415,137	509,465	244,237	157,505	-	4,060,402	3,951,196
ADMINISTRATIVE AND OVERHEAD COSTS															
Postages	3,374	1,350	2,025	3,712	2,025	1,350	337	337	3,037	3,374	1,687	2,025	-	24,633	28,537
Printing and stationery	5,795	2,318	3,477	6,375	3,477	2,318	580	580	5,216	5,795	2,898	3,477	-	42,306	3,960
Advertising and recruitment	1,281	512	769	1,409	1,569	512	128	128	1,153	2,386	840	9,289	-	19,976	18,469
Training	9,806	3,263	6,218	10,250	4,803	6,494	849	2,522	10,579	13,937	5,006	4,813	-	78,540	70,608
Travelling and committees	13,304	9,806	7,983	17,742	7,983	5,322	1,330	1,330	20,299	13,304	6,652	7,983	28,409	141,447	94,979
Irrecoverable value added tax	8,086	3,234	4,852	8,895	4,852	3,234	809	809	7,278	8,086	4,043	4,852	-	59,030	53,188
Salaries, national insurance and pension contributions	114,824	45,929	68,894	126,306	68,894	45,929	11,482	11,482	103,341	114,824	57,412	68,894	-	838,211	785,794
Annual General Meeting	-	-	-	-	-	-	-	-	-	-	-	-	25,207	25,207	26,312
Telephone	4,992	1,997	2,995	5,492	2,995	1,997	499	499	4,493	4,992	2,496	2,995	-	36,442	23,367
Computer maintenance and consumables	24,519	9,808	14,711	26,971	14,711	9,808	2,452	2,452	22,077	24,678	12,259	14,711	-	179,157	190,514
Office sundries	7,598	3,023	4,585	8,633	4,603	3,224	756	756	6,802	7,558	3,841	4,535	-	55,914	46,904
Rent rates and service charges	3,181	1,273	1,909	3,500	1,909	1,273	318	318	2,863	3,181	1,591	1,909	-	21,225	21,960
Lighting and heating	2,774	1,110	1,665	3,052	1,665	1,110	277	277	2,497	2,774	1,387	1,665	-	20,253	19,432
Insurance	1,187	475	712	1,305	712	475	119	119	1,068	1,187	593	712	578	9,242	8,591
Repairs and renewals	2,778	1,111	1,667	3,056	1,667	1,111	278	278	2,500	2,778	1,389	1,667	-	20,280	74,540
Professional fees	6,474	2,590	3,885	7,122	3,885	2,590	647	647	5,827	6,474	3,237	3,885	15,295	62,558	57,928
Auditors remuneration	-	-	-	-	-	-	-	-	-	-	-	-	8,000	8,000	7,800
Bank charges and interest	4,987	1,995	2,992	5,485	2,992	1,995	499	499	4,488	4,987	2,493	2,992	-	36,404	37,020
Mortgage Interest	8,480	3,392	5,088	9,228	5,088	3,392	848	848	7,632	8,480	4,240	5,088	-	61,904	42,526
Depreciation	4,841	1,936	2,904	5,324	2,904	1,936	484	484	4,356	4,841	2,420	2,904	-	35,334	41,564
Loss on disposals of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,468
TOTAL	228,281	95,122	137,331	251,957	136,734	94,070	22,692	24,365	215,506	213,636	114,484	144,396	77,489	1,778,063	1,653,461
	1,125,969	472,903	441,922	798,383	286,770	394,714	60,807	145,142	630,643	743,101	358,721	301,901	77,489	5,818,465	5,605,657

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR COUNSELLING AND  
PSYCHOTHERAPY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

**4 ACTIVITIES OF SUBSIDIARIES**

The Charity has two subsidiaries, BACP Enterprises Limited (formerly BACP Advertising Limited) and BACP Research Foundation. It owns the entire share capital of 1,000 shares of £1 each in BACP Enterprises Limited, a company incorporated in the United Kingdom.

BACP Enterprises Limited was originally donated to the British Association for Counselling and Psychotherapy and therefore there is no cost of investment in the balance sheet of the British Association for Counselling and Psychotherapy. BACP Enterprises Limited deals with income raised from advertisements placed in the Therapy Today Journal (TT), Counselling and Psychotherapy Research Journal (CPR) and Divisional Journals produced by the British Association for Counselling and Psychotherapy. It is a trading subsidiary and gifts Net Profit to the parent company the British Association for Counselling and Psychotherapy.

BACP Research Foundation was incorporated on 5 February 2008, and attained Charitable status on April 12 2010. Pre-trading expenditure, totalling £55,834 (2010 - £11,865), was paid for as donations during the year by the parent company the British Association for Counselling and Psychotherapy. The British Association for Counselling and Psychotherapy is the only member of the BACP Research Foundation, a company limited by guarantee. The maximum liability of the British Association for Counselling and Psychotherapy in the event of the winding up of the subsidiary is £10. The principal activity of the company will be the undertaking of research into counselling and psychotherapy practices. Any surplus will be retained by the subsidiary.

	<b>BACP Research Foundation</b>	<b>BACP Enterprises Limited</b>	<b>2011 £</b>	<b>2010 £</b>
Turnover	<b>55,834</b>	<b>410,453</b>	<b>466,287</b>	<b>441,616</b>
Administrative expenses	<b>(55,834)</b>	<b>(78,073)</b>	<b>(133,907)</b>	<b>(66,855)</b>
<b>Net profit</b>	<b>-</b>	<b>332,380</b>	<b>332,380</b>	<b>374,731</b>
Amount gifted	<b>-</b>	<b>332,380</b>	<b>332,380</b>	<b>(374,731)</b>
<b>Retained profit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**The assets and liabilities of the subsidiaries were**

Current assets	<b>-</b>	<b>91,008</b>	<b>91,008</b>	<b>95,639</b>
Creditors amounts falling due within one year	<b>-</b>	<b>(90,303)</b>	<b>(90,303)</b>	<b>(91,934)</b>
<b>Total net assets</b>	<b>-</b>	<b>705</b>	<b>705</b>	<b>705</b>
Aggregate share capital and reserves	<b>-</b>	<b>705</b>	<b>705</b>	<b>705</b>

**5 INVESTMENT INCOME**

	<b>2011 £</b>	<b>2010 £</b>
Interest receivable	<b>2,204</b>	<b>1,705</b>
Dividends and other investment income	<b>28,296</b>	<b>25,332</b>
	<b>30,500</b>	<b>27,037</b>

The notes form part of these financial statements



**BRITISH ASSOCIATION FOR COUNSELLING AND  
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**6 OTHER INCOME**

This includes £96,837 (2010 - £113,217) received from the British Association for Counselling and Psychotherapy's Insurers, being based on the net insurance premiums paid by the British Association for Counselling and Psychotherapy members under the 'Members Professional Liability Insurance Scheme' for the period ended 31 March 2011. This agreement was negotiated for the British Association for Counselling and Psychotherapy by its insurance brokers.

**7 STAFF NUMBERS AND COSTS**

	2011	2010
The average number of employees (including part-time staff) during the year was		
Administration	20	19
Membership	10	11
Professional Conduct	4	5
Events	6	6
Customer Relationship Services	6	6
Professional Standards	11	11
Regulatory & Policy	5	4
Information	6	6
Journals	4	3
Publications Sales	1	1
Public Relations	1	1
Marketing	10	10
Research	9	8
	<u>93</u>	<u>91</u>
	2011	2010

The number of employees earning over £60,000 per annum was as follows

£60,001 - £70,000	3	1
£100,001 - £110,000	1	-
£120,001 - £130,000	<u>1</u>	<u>1</u>

Contributions to the pension scheme for higher paid employees amounted to £24,628 for the year (2010 - £15,341)

	2011 £	2010 £
The aggregate payroll costs amounted to		
Wages and salaries	2,887,809	2,678,919
Social security costs	282,626	263,666
Other pension costs	98,877	97,031
Death in service	17,411	18,292
	<u>3,286,723</u>	<u>3,057,908</u>

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**8 FEES PAYABLE TO AUDITORS**

	<b>The Group</b>		<b>The Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Relating to audit services	<b>9,400</b>	<b>8,430</b>	<b>8,000</b>	<b>7,800</b>
Relating to non-audit services	<b>2,275</b>	<b>4,882</b>	<b>2,125</b>	<b>4,707</b>
	<b><u>11,675</u></b>	<b><u>13,312</u></b>	<b><u>10,125</u></b>	<b><u>12,507</u></b>

**9 TANGIBLE FIXED ASSETS (Group and Company)**

	<b>Computer equipment &amp; accessories</b>	<b>Office furniture &amp; equipment</b>	<b>Freehold property</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 April 2010	233,027	101,477	2,600,000	2,934,504
Additions	22,734	-	-	22,734
Disposals	(13,663)	-	-	(13,663)
At 31 March 2011	<u>242,098</u>	<u>101,477</u>	<u>2,600,000</u>	<u>2,943,575</u>
<b>Depreciation</b>				
At 1 April 2010	188,539	82,931	-	271,470
Charge for the year	19,765	16,521	-	36,286
Disposals	(10,810)	-	-	(10,810)
At 31 March 2011	<u>197,494</u>	<u>99,452</u>	<u>-</u>	<u>296,946</u>
<b>Net book value</b>				
At 31 March 2011	<u><b>44,604</b></u>	<u><b>2,025</b></u>	<u><b>2,600,000</b></u>	<u><b>2,646,629</b></u>
At 1 April 2010	<u>44,488</u>	<u>18,546</u>	<u>2,600,000</u>	<u>2,663,034</u>

Cost/Valuation at 31 March 2011 is represented by

	<b>Computer equipment &amp; accessories</b>	<b>Office furniture &amp; equipment</b>	<b>Freehold property</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost	242,098	101,477	-	343,575
Build Cost	-	-	1,767,310	1,767,310
Fit Out and Professional Costs	-	-	767,166	767,166
	<u>242,098</u>	<u>101,477</u>	<u>2,534,476</u>	<u>2,878,051</u>
Surplus on valuation in 2007	-	-	65,524	65,524
	<u>242,098</u>	<u>101,477</u>	<u>2,600,000</u>	<u>2,943,575</u>

If the freehold property had not been revalued it would have been included at the following historical cost

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Cost	<u><b>2,534,476</b></u>	<u><b>2,534,476</b></u>

The freehold property was valued on an open market basis on 31st January 2007 by Darlinson Dyer, Chartered Surveyors

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**10 INVESTMENTS (Group and Company)**

	2011 £	2010 £
<b>Market value</b>		
Opening market value	1,046,831	838,294
Additions	357,571	519,139
Disposals at opening market value	(326,596)	(527,061)
	<u>1,077,806</u>	<u>830,372</u>
Unrealised profit on investments	67,749	216,459
<b>At 31 March 2011</b>	<u>1,145,555</u>	<u>1,046,831</u>
Cash held by Investment Managers	74,130	127,499
	<u>1,219,685</u>	<u>1,174,330</u>
Shares in property management service company relating to freehold property in Lutterworth	10	10
	<u>1,219,695</u>	<u>1,174,340</u>

The historical cost of the investment portfolio (excluding cash) at 31 March 2011 was £918,949 (2010 -£821,345)

All the investments are held primarily to provide an investment return for the charity

	2011 £	2010 £
<b>Investments at market value comprised</b>		
UK Fixed interest securities	135,403	106,306
Intl Fixed interest securities	27,990	-
Equities - UK	621,847	591,574
- Rest of world	360,315	348,951
	<u>1,145,555</u>	<u>1,046,831</u>

There are no investments in individual entities held at 31 March 2011 which are over 5% of the portfolio by value

**11 STOCKS (Group and Company)**

	2011 £	2010 £
Publications	32,910	28,610
Printing and stationery	3,516	3,607
	<u>36,426</u>	<u>32,217</u>

**12 DEBTORS**

	<b>The Group</b>		<b>The Company</b>	
	2011 £	2010 £	2011 £	2010 £
Trade debtors	201,278	83,901	157,806	37,200
Amount owed from subsidiaries				
- BACP Enterprises Limited	-	-	67,795	76,025
Other debtors	50,023	74,810	50,023	74,810
Prepayments	86,882	37,151	86,223	36,985
	<u>338,183</u>	<u>195,862</u>	<u>361,847</u>	<u>225,020</u>

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**13 CREDITORS AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	<b>The Group</b>		<b>The Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	160,211	69,867	160,211	69,867
Trade creditors	284,387	229,687	283,786	229,687
Social security and other taxes	118,158	85,529	107,698	74,309
Accruals	87,413	70,193	86,261	68,805
Deferred income				
- Trading	130,575	48,129	120,281	41,828
	<u>780,744</u>	<u>503,405</u>	<u>758,237</u>	<u>484,496</u>
Membership and United Kingdom register fees in advance	1,486,309	1,427,448	1,486,309	1,427,448
	<u>2,267,053</u>	<u>1,930,853</u>	<u>2,244,546</u>	<u>1,911,944</u>

**14 CREDITORS AMOUNTS FALLING  
DUE AFTER ONE YEAR**

	<b>The Group</b>		<b>The Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans - 1 - 2 years	-	284,439	-	284,439
Bank loans - 2 - 5 years	-	396,196	-	396,196
Bank loans - more than 5 years	-	220,000	-	220,000
	<u>-</u>	<u>900,635</u>	<u>-</u>	<u>900,635</u>
Amounts falling due in more than 5 years repayable by instalments	-	220,000	-	220,000

**15 SECURED DEBTS**

The following secured debts are included within creditors

	<b>The Group</b>		<b>The Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	160,211	970,502	160,211	970,502

The bank has a mortgage charge over Unit 15, St John's Business Park, Lutterworth, Leicester LE17 4HB in respect of all monies due to them

**16 REVALUATION RESERVE**

	<b>The Group</b>		<b>The Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Refer to note 9, page 27 for full details	65,524	65,524	65,524	65,524
	<u>65,524</u>	<u>65,524</u>	<u>65,524</u>	<u>65,524</u>

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**17 UNRESTRICTED GENERAL INCOME FUND (Group and Company)**

The general income fund balance includes the unrealised investment reserve as follows

	2011 £	2010 £
Unrealised gains at 1 April 2010	225,486	8,874
(Losses)/Gains realised on investments against market value at 1 April 2010	(66,629)	153
	<u>158,857</u>	<u>9,027</u>
Unrealised Gains for the year	67,749	216,459
Unrealised gains at 31 March 2011	<u>226,606</u>	<u>225,486</u>

**18 DESIGNATED FUNDS**

	RESEARCH FOUNDATION £	SPECIAL PROJECTS £	TOTAL 2011 £	TOTAL 2010 £
Designated Funds as 1 April 2010	134,161	400,000	534,161	546,026
	<u>134,161</u>	<u>400,000</u>	<u>534,161</u>	<u>546,026</u>
Expenditure	(55,834)	(19,642)	(75,476)	(11,565)
Designated Funds at 31 March 2011	<u>78,327</u>	<u>380,358</u>	<u>458,685</u>	<u>534,161</u>

BACP have committed up to £175,000 of their reserves as funding for the BACP Research Foundation, which is limited by guarantee, and is a wholly owned subsidiary of BACP

Designated funds totalling £400,000 have been set aside for projects to further the charitable aims of BACP

**19 RELATED PARTIES**

The Board of Trustees neither received nor waived any emoluments during the year (2010 - £Nil) An amount of £15,295 (2010 - £19,467) was paid to York St John University for L. Gabriel's (the Chair person) time for the year ending 31 March 2011 Agreement to pay for the Chair's time was sought from the Charity Commission

During the year all the members of the Board of Trustees have been reimbursed for travelling and accommodation costs incurred amounting to £12,988 (2010 - £12,526)

The company purchased services from BACP Enterprises Limited to the value of £27,584 (2010 - £25,049) on normal commercial terms At the balance sheet date the amount outstanding was £1,425 (2010 - £1,308)

See also note 4

**20 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	GENERAL £	DESIGNATED £	TOTAL 2011 £	TOTAL 2010 £
Tangible Assets	2,646,629	-	2,646,629	2,663,034
Investments	1,219,695	-	1,219,695	1,174,340
Net Current Liabilities	(1,040,224)	458,685	(581,539)	(52,267)
Creditors falling due after one year	-	-	-	(900,635)
	<u>2,826,100</u>	<u>458,685</u>	<u>3,284,785</u>	<u>2,884,472</u>

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