

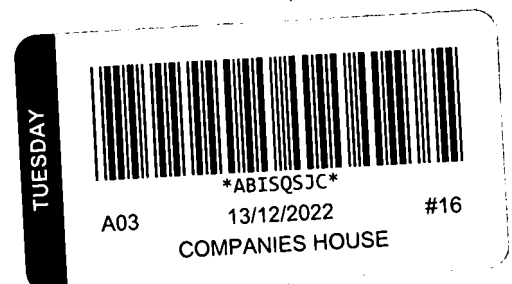
Company number: 02966937
Charity number: 1042052



Annual Report and Financial Statements 18 month period ended 30 June 2022



The Minster Centre
20 Lonsdale Road
Queen's Park
London
NW6 6RD



The Minster Centre
Trustees' report and financial statements for the period to 30 June 2022

Contents

1. COMPANY INFORMATION	3
2. PRINCIPAL AIMS AND ACTIVITIES	4
3. REVIEW OF THE PERIOD	6
4. FINANCIAL REVIEW	12
5. FUTURE OUTLOOK FOR THE MINSTER CENTRE	16
6. STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES	18
7. INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MINSTER CENTRE.....	20
8. FINANCIAL STATEMENTS	24

The Minster Centre
Trustees' report and financial statements for the period to 30 June 2022

1. Company information

Trustees

Christopher Brooks (Treasurer, re-elected 18/12/18, retired 26/11/21)
Judith Burnett (elected 1/1/19, re-elected 11/12/20)
Nick Carley (co-opted 17/11/17, elected 1/1/18, elected Chair 1/11/19, re-elected 11/12/20)
Debbie Charles (elected 1/1/21)
Norma Clayton (re-elected 18/12/18, retired 26/11/21)
David Collins (co-opted 17/11/17, elected 1/1/18, re-elected 11/12/20)
Malcolm Couldridge (elected 1/1/18, elected Vice Chair 1/11/19, re-elected 11/12/20)
Morica Daley (Staff Trustee, elected 28/4/22)
Mark Gullidge (Staff Trustee, elected 1/1/19, retired 26/11/21)
Hannah Joll (Student Trustee, elected 18/12/18, retired 26/11/21)
Elizabeth Mpyisi (elected 1/1/20, retired 23/3/21)
Ronny Sandhu (Student Trustee, elected 20/12/21)
Gavin Sharpe (elected 1/1/20)
Sean Titley (elected 16/1/15, re-elected 19/12/17, re-elected 19/12/19)
Felicity Wright (Director invited to join Board 3/5/19)
Susanna Wright (elected 27/1/17, stood down as Vice Chair 1/11/19, re-elected as a Trustee 19/12/19, retired 26/11/21)

Senior staff

Director Lissie Wright
Deputy Director Philip Reilly (retired 31/8/21)
Deputy Director Janek Dubowski (started 16/9/21)
Deputy Director Alyson Jaffe
Deputy Director Pascale Chailllet (16/8/21- 26/9/22)
(Finance and Operations, temporary post)

Company number: 02966937

Country of incorporation: United Kingdom

Registered Charity Number: 1042052

Country of registration: England & Wales

Registered Office and 20 Lonsdale Road

Business Address: Queen's Park
London, NW6 6RD

Auditor: Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London, EC1Y 0TL

Bankers: CAF Bank Ltd
25 Kings Hill Avenue,
Kings Hill,
West Malling, Kent, ME19 4TA.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

The Trustees present their report and financial statements for the period 1st January 2021 to 30th June 2022. The Minster Centre is moving its financial year from 1st January to 31st December to 1st July to 30th June in future. This is to align more closely with the academic year and with the main cycles of income and expenditure. To facilitate the change this report covers an 18-month period from 1st January 2021 to 30th June 2022.

The reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements; the Memorandum and Articles of Association; and the Statement of Recommended Practice (SORP) - Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

2. Principal aims and activities

2.1 Aims and Objects

The Minster Centre's principal aims and objects, as defined by the Memorandum and Articles of Association, are:

- (a) to advance the education of the public by providing tuition and training programmes in individual and group psychotherapy for psychotherapists and counsellors and trainee psychotherapists and counsellors;
- (b) to relieve persons suffering from mental, emotional and/or physical illness or distress by the provision of psychotherapy and counselling.

2.2 Public benefit statement

The Centre pursues these objects by providing training in counselling and psychotherapy and the provision of a community-based, affordable psychotherapy and counselling service.

Training at the Centre ranges from open-access introductory courses, through courses supporting professional registration with the British Association for Counselling and Psychotherapy (BACP) and the United Kingdom Council for Psychotherapy (UKCP) to post-qualification training and continuing professional development. Our professional training includes Master's degree programmes validated by Middlesex University. During the period over 360 people attended Foundation or higher levels of training at the Centre, and more than 200 people attended open-entry Introduction to Counselling short courses. We offered very limited Continuing Professional Development events during the period, largely because resources were diverted to support other training during the Covid pandemic; CPD activity restarted towards the end of the period. A total of 576 people attended training at the Centre during the period.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

The Centre strives to be as accessible as possible to people from different cultures and backgrounds and welcoming to trainees and service users from all ethnic communities, sexual orientations, genders, beliefs and cultures. We aim to make our training and services accessible for people with disabilities wherever possible.

The Centre provides the Helen Davis Bursary scheme to support people wishing to undertake training in psychotherapy and counselling who could not otherwise afford to do so. The scheme aims to support two students per annum on Foundation level courses, and one new student per annum undertaking professional training as a counsellor or psychotherapist. Once students commence professional training they are supported to qualification. The Bursary Committee, which considers applications, has discretion to award these as fully-funded or partially-funded places, or to award more bursaries for smaller amounts. In the report period, the number of students in receipt of bursaries varied between five and seven students. Bursaries were financed directly by the Minster Centre, by Minster Centre Members who make a voluntary contribution and by individual donations. Bursaries are awarded to students who could not otherwise afford to train, and all current bursary recipients are from under-represented groups in HE and the profession, including ethnic minorities, and people with a disability or chronic health issues. Our first bursary recipient graduated with an MA during 2021-22. An additional donation of £12,000 was made to support a student over the coming three years.

The training work of the Centre is integrated with the work of the Minster Centre Psychotherapy and Counselling service (MCPCS). The therapy is provided by senior trainees who are closely supervised, as part of their training, by in-house clinical supervisors. Clients of the service are charged fees based on their income. In the period covered by this report we estimate this service provided over 6,500 hours of therapy. The impact of the Covid-19 pandemic meant that the MCPCS devised new ways of working from March 2020, and during the period covered by this report therapeutic work remained online, including initial assessments for therapy. Preparations for a return to offering sessions in person began in spring 2022 with a small number of sessions, prioritised in terms of client need, starting in May 2022. More in-person sessions have been offered from October 2022 as the therapy rooms within the building were fully re-opened for use by the service. In future, both in person and online sessions will be offered by the service extending the number and range of people that can be offered therapy (although the intention is for the service to continue to offer therapy to clients coming primarily from NW London) and supporting the training of therapists who can work once qualified both in person and online.

3. Review of the period

3.1 Strategic aims and objectives for 2021-22

Strategic Aims

In November 2019 the Board agreed new Strategic Aims which set the direction for the work to be undertaken in the coming five years, commencing in 2020. The four aims are as follows.

- 1) Increase the Minster Centre's ability to reach a wide range of people.**
By increasing the range of events, short courses and resources offered to the public and professionals, strengthening relationships with professional bodies and partners to ensure integrative approaches to therapy and access to therapy for diverse communities are championed, and developing research that provides greater insight into client and therapist experience in a diverse society (using experience-near qualitative research approaches).
- 2) Train therapists who are particularly well equipped to work in a diverse society.**
Building on work already undertaken, increase the diversity of students attending Minster Centre courses to reflect more fully wider society (as a target to support this, by 2024, student body to reflect the demographics of Greater London population in terms of ethnicity and disability as ethnically diverse and disabled therapists are particularly under-represented in the profession) and increase the competence of Minster Centre graduates and members to work with clients from diverse communities.
- 3) Offer accessible and affordable services to a diverse community**
Increase the number and diversity of clients using the Minster Centre therapy service (MCPCS) or other services supported by the Minster Centre (by 2024 increase the number of clients using MCPCS or Minster Centre partner services by 20% and work with specialist partners to support access for groups that find it harder to access therapy).
- 4) Manage the Minster Centre for sustainability and growth**
Increase income to fund organisational changes that support the sustainability and succession planning of the leadership of the organisation and its diversity and ensuring sustainable premises for the Centre.

3.2. Activities and achievements in 2021 to July 2022

The key challenge that shaped 2021-22 was working through and then recovering from the impact of the Covid-19 pandemic, whilst still striving to rise to our strategic intention to offer training that is inclusive, and to train therapists well equipped to work in a diverse society.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

The Centre's operational responses to Covid were driven by a commitment to students, clients and staff and maintaining the financial viability of the organisation. Having successfully put into place arrangements for online training and therapy services, and risk-assessed safe use of the building during 2020, in 2021-22 training was delivered face-to-face whenever possible, with Covid security measures. At times some courses were delivered online, or groups alternated weekly between in person and online to limit numbers in the building. When it was possible to deliver most training in person, we nevertheless maintained the capacity to move quickly online in case of an upsurge of infections or new restrictions. This increased the loading on IT and operational staff limiting capacity to undertake other initiatives.

MCPCS therapy was provided online or by telephone throughout, with the first in the room sessions with clients not starting until May 2022. Initially this was offered only to a small number of clients who were not able to access remote therapy. Room capacity for in person therapy was increased in October 2022. A result of the limitation on face-to-face therapy was the loss of virtually all room hire income for the whole period.

Training

The Minster Centre is one of the UK's leading organisations for the training of integrative psychotherapists and counsellors; its courses are accredited by the main professional bodies: the Diploma in Integrative Counselling by the British Association of Counselling and Psychotherapy (BACP) and the Advanced Diploma/MA in Integrative Psychotherapy and Counselling by the United Kingdom Council for Psychotherapy (UKCP). The MA/PG Dip courses are validated by Middlesex University. Courses are offered at all levels ranging from short open-entry counselling skills courses to qualifying and post-qualification postgraduate level courses. The structure and content of training and the quality of teaching is kept under regular review and adapted to reflect new developments in the field.

By the summer term of 2022, virtually all training was being delivered face-to-face, although we were able to use new skills in online training to deliver some, primarily weekend, training with specialist tutors and to respond to unexpected events including transport disruptions and staff illness. Feedback from students and staff is that we succeeded in offering well supported and high-quality training throughout the period.

During 2021-22 the Diversity and Inclusivity Committee, a joint staff and student group, continued to work to integrate consideration of equality, diversity and inclusivity (EDI) across all our training activities. The Curriculum Sub-Committee has worked to develop a decolonised curriculum that challenges normative perspectives. During this 18-month period, specific training on race and racism and gender, sex and relationship diversity was introduced to the first year of training, and a revised and extended second year module, The Body and Intersectionality in Psychotherapy, was run for the first time. An impact tool was developed and introduced to support tutors in considering the EDI impact of training. Further resources were introduced into modules throughout the training, together with more space for reflection and

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

discussion of intersectionality, and assessment criteria were reviewed to support inclusive assessment and ensure students were considering and being assessed on their capacity to work in a diverse society.

Staff training during the year primarily focused on EDI, although training was also provided in assessment, fire marshalling and first aid. EDI training included a course with outside facilitators on antisemitism, two staff discussion sessions on lessons learned about EDI and training, a white affinity group, teaching year reflective groups and financial support for six staff to attend a 10-week external training on Racism in Real Time.

Student recruitment

Interest in Minster Centre Courses remained strong in 2021-22, although we limited the numbers of students recruited in September 2021 to ensure we could manage social distancing when we were in the building and to manage group facilitation when working online. See Table 1 below for more information on student numbers.

The Minster Centre
Trustees' report and financial statements for the period to 30 June 2022

Table 1: Student Numbers since 2017/18

	2021/22	2020/21	2019/20	2018/19	2017/18
Foundation certificate	48	48	52	45	40
Fast Track Foundation certificate	39	37	38	34	38
Year 1 Professional Training	48	48	51	39	50
Year 2 Professional Training	46	46	48	45	47
Counselling Diploma finalists and MA/Adv Diploma Year 3	42	41	44	48	46
Adv Diploma and MA Finalists ¹	110	94	98	82	75
Supervision Diploma/PG Dip/MA	10	18	15	14	10
PG Dip/MA Advanced Clinical Practice	22	18	18	15	12
Total	365	350²	364	322	318

In addition, 202 students attended Introduction to Counselling skills short courses in Jan 2021-June 22, and 9 people attended a CPD event; making a total of 576 attendees who benefitted from Minster Centre training during the year.

¹ Finalists for the Advanced Diploma and the MA in Integrative Psychotherapy and Counselling may take more than one year to complete their dissertation and case studies; this explains the larger numbers in this group.

² Numbers of students admitted in 2020/21 were lower to ensure social distancing could be managed.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

Therapy Service

The Minster Centre continued to offer an affordable therapy service through its Psychotherapy and Counselling Service (MCPCS) throughout the pandemic.

During 2021-22, the majority of therapy sessions were offered online. From January 2021 to July 2022, we received 757 new enquiries, of these 307 withdrew their enquiry before assessment, 204 were referred to other services, 137 were assessed and 109 were allocated to senior students for long-term therapy. Overall, there was an increase in enquiries but fewer clients were allocated for therapy. Enquirers who withdrew before assessment were due to: the wait between enquiry and assessment, securing therapy elsewhere, financial circumstances meant they could not commit to therapy, or clients did not want to or were unable to work online.

The impact of the Covid-19 pandemic meant that from 2020 the MCPCS devised new ways of working. This supported the ongoing provision of therapy through the pandemic, a period of increased need, and supported an expansion of the geographical parameters of the service meeting, at times, the needs of clients across the UK. However, as described above accessing therapy online was not suitable for all enquirers.

The gradual return of in-person therapy, following the completion of necessary risk assessments and some modifications to the therapy-rooms, started in May 2022, allowing us to begin to meet the needs of clients who could not access online services. All rooms were reopened to the therapy service in October 2022.

In future, we will continue to offer both on-line and in-person services, meeting the needs of different client groups and potentially increasing the overall number of clients that we can offer therapy for.

Many services (in both the statutory and third sectors) were severely affected by the impact of the pandemic, the MCPCS has continued as one of the few services offering affordable, long-term psychological support to clients. With the closure of some third-sector services and an overwhelming demand for NHS services, which often offer short-term support, the MCPCS continues to receive a high number of complex and severe client presentations, some of which we redirect to services which are more suitable for complex needs.

Staff

The Trustees delegate the Centre's day-to-day operations to the Director and her team of staff. The Centre employs permanent staff to run the operation and a large team of highly qualified and experienced tutors who are all practicing therapists.

During the period to end June 2022, staff continued to work exceptionally hard to meet the challenges posed by the pandemic and then the gradual return to pre-pandemic conditions.

In August 2021, Philip Reilly stepped down from the role of Deputy Director after eight years in the post, but continues to teach at the Centre. Philip had provided invaluable support and wisdom to the organisation during his time as Deputy Director. Janek Dubowski took up the role in September 2021. During the period, we

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

also temporarily had a Deputy Director of Finance and Operations, Pascale Chaillet, to support the strengthening of these activities as we emerged from Covid.

The Centre has a long-term commitment to support and develop a diverse staff. As part of that we have sought to increase the numbers of staff of colour working for the organisation by advertising all training posts with the Black, African and Asian Therapy Network (BAATN). The proportion of staff of colour within the team has steadily increased from around 11% in 2017 to around 20% in 2021.

3.3 Remuneration Policy

The Minster Centre needs to recruit and retain staff with a wide range of skills. As a relatively small organisation working in a specialist field, it needs to be led by senior staff who have specialist knowledge in the fields of psychotherapy, training and therapeutic service delivery, combined with organisational and business expertise.

Although the Minster Centre is not a London Living Wage-accredited employer it does seek to ensure that all staff are paid at least the London Living Wage.

The same benefits, including pensions and terms and conditions, apply to all permanent staff including the Director. The Centre does not apply any performance-related pay and does not have a bonus scheme. The same appraisal system applies to all permanent staff.

The ratio of highest to lowest and highest to median rates of pay is published annually. As a guideline, the Trustees would not normally expect the ratio of highest to median rate of pay to exceed 4:1. In 2022 the ratio of highest to lowest pay was 3 (3.2 in 2020) and highest to median rate of pay was 2.2 (2.2 in 2020).

Senior staff pay is determined by the Remuneration Sub-Committee (RSC) taking into account comparisons with national charity pay levels, remuneration in Higher Education, and the ratios of highest to lowest and highest to median rates of pay. The RSC also agrees and annually reviews the overall approach to staff pay and any annual pay increases within the context of the Centre's financial position and strategic priorities, the cost of living, as well as recruitment and retention rates.

3.4 Governance

The Board meets at least five times each year to discuss progress in relation to strategic aims, monitor performance and agree future budgets, targets and priorities. The Director also attends at least five Finance Sub-Committees (FSC) per year and regularly meets more informally with the Chair of Trustees. In 2021 the Board met six times, with a further three meetings in the period January to June 2022. The FSC met 15 times.

Recruitment and induction of Trustees

The arrangements for the appointment of Trustees are laid down in the charity's Mem & Arts. There must be a minimum of seven Trustees, and a maximum of 14. Up to 10 Independent Trustees are nominated and elected by the Members, one Staff Trustee is nominated and elected by the Centre's staff and one Student Trustee by students attending courses that last more than one year. Members, for the

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

purposes of elections, are: Trustees, alumni of Minster Centre professional training courses and individuals who have been granted honorary membership.

Each year one-third of the independent Trustees must resign. Trustees serve for periods of three years, and can stand for re-election up to a maximum period of nine years. Elections for Trustees are therefore held annually. In the event of there being a vacancy for the position of a Trustee between elections, the Board of Trustees may co-opt a Trustee. Co-opted Trustees then go forward for confirmation at the next scheduled election.

Nominations for Trustees are sought by advertising on the website, to the Membership, and through suitable other organisations, such as BAATN, and Trustee recruitment sites.

At the start of 2021 there were 14 trustees: Nick Carley (Chair), Malcolm Couldridge (Vice Chair), Christopher Brooks (Treasurer), Judith Burnett, Debbie Charles, Norma Clayton, David Collins, Mark Gullidge (Staff Trustee), Hannah Joll (Student Trustee), Elizabeth Mpyisi, Gavin Sharpe, Sean Titley, Lissie Wright (Director) and Susanna Wright.

At June 30th 2022 there were 10 trustees. Nick Carley remains as Chair and Malcom Couldridge as Vice Chair. Elizabeth Mpyisi stepped down in April 2021. Christopher Brooks retired having served three terms at the last Board meeting of 2021. Norma Clayton and Susanna Wright also stepped down at the same point, alongside Mark Gullidge and Hannah Joll who had served three year terms as Staff and Student Trustees, respectively. Ronny Sandhu was elected as the new Student Trustee in December 2021 elections and Morica Daley was elected as the new Staff Trustee in April 2022. Despite extensive advertising no further nominees as Trustees were forthcoming in December 2021. The next round of elections will occur in December 2022.

The Staff Trustee and the Director are paid their salaries at the agreed rates and receive no additional fees or benefit for serving as Trustees. The Student Trustee pays fees at the same rate as all other students and receives no additional benefits for serving as a Trustee.

4. Financial Review

4.1 Financial performance in 2021-22

In the 18-month period covered the charity had an income of £2,552,075 and expenditure of £2,527,483 resulting in a surplus of £24,592 for the year. The Centre carried forward funds of £503,423.

Income from training, therapy and membership activities was strong, partially offsetting the loss of room bookings income that resulted from ceasing therapy room hire in March 2020. Room hire restarted at very low levels in May 2022. Rooms are currently only being offered to student therapists and staff.

Expenditure, both on direct costs and overheads, was on budget but reflects higher spending in some areas and reduced spending on others arising from adaptations to meet the changing Covid situation. Expenditure on IT and other equipment and

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

building maintenance increased, reflecting maintenance of Covid security measures and online provision, and whilst website development and advertising were lower reflecting reallocation of staff time from some areas to maintain mainstream training delivery and high levels of interest in training. Expenditure on staff recruitment was higher than planned, reflecting higher staff turnover and an increasingly difficult recruitment situation for all types of posts. The largest item, staff costs, was close to budget although this perhaps does not fully reflect the staff's efforts (tutors and operational staff) to meet the ongoing challenges of the period.

4.2 Fundraising

The Centre does not undertake significant fundraising, although small donations and one larger donation were received towards bursaries. It does not currently set fundraising targets, and does not incur material expenditure to fundraise; nor does it engage professional fundraisers, commercial participators or third-party fundraisers. No complaints about fundraising activities were received during the period.

4.3 Reserves Policy

The Minster Centre holds reserves to ensure that it has sufficient funds to cover periods when income is relatively low, that it can meet its obligations to allow students to complete training courses they have started, and that it can meet its ethical obligations to clients by ensuring any therapeutic services that may have to be closed or reduced can be brought to planned and supervised completion.

The level and range of reserves the charity needs are re-assessed at least annually, and kept under regular consideration by the FSC, using the Risk Identification approach as recommended in Sayer Vincent's *Reserves policies made simple*. This considers cash flow, the sources, reliability and predictability of income, the commitment to expenditure, and the significant risks the charity faces. In addition, consideration has been given to developments that the charity wishes to undertake given its strategic aims. Particular attention is paid to ensuring sufficient funds are held to protect students if a course needed to be closed.

Cash Flow

Monthly cash flow varies primarily because of the cycle of fee income, and the timing of quarterly rent payments and Middlesex University student registration fees. Although many students spread their fee payments across the academic year, producing a good flow of income across the months, some pay up-front creating an income peak in September and October that supports deficits in other months.

Average monthly cash income in this 18-month period was £143,000 and average monthly expenditure was £132,000. The largest monthly cash deficit was approximately £85,000. At their most recent review the Trustees agreed that cash flow should be monitored regularly with action taken to ensure sufficient cash at bank and in hand to meet average monthly expenditure of £135,000.

Income

Although income from training fees forms a very high proportion of overall income, and would fall if student recruitment fell, this risk is moderated by the fact that fees come from a large number of individuals, we offer a range of courses at different

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

levels and some courses run for more than one year making income in following years more predictable.

The Trustees have previously agreed that we should seek to diversify sources of income: including increasing income from room bookings and client fees as additional, but modest, sources of income. Considerable progress had been made on this, with income from room bookings increasing from £40,000 in 2014 to close to £115,000 in 2019 and client fees from £35,000 in 2014 to £93,000 in 2019. The increases were the result of both more effective tracking and collection of income and of increased activity. In 2020, room bookings ceased in March due to Covid measures, and have now restarted on a reduced basis as we rebuild this service and income stream. In contrast, as we successfully supported a transfer to online therapy for many existing MCPCS clients and were able to offer an online service to new clients, income from client fees was maintained and in the 18-month period was £155,000 (£96,000 for the 12 months of 2020). We will offer both in-person and online therapy services in future, potentially increasing income from client fees although this will be limited by student numbers and our capacity to run the service well.

Expenditure

All the Centre's expenditure is related to its charitable activities. If necessary, the range and scope of delivery could be reduced without negating all public benefit.

Risks

The charity undertakes regular reviews to identify and reduce significant risks, and the risk register was last reviewed by the Board at its meeting in May 2022.

Individual risks are reviewed by the Board at each meeting. Key risks that could impact the charity's viability have been identified as: failing to meet expectations to offer training or services accessible to a diverse student body/local population; sustainability of operations damaged by major loss of income (drop in student numbers, increase in arrears / defaults on fees, loss of other income streams) or increase in costs (premises or staff) and failure to meet regulations and requirements e.g. H&S, Prevent, Data Protection, Employment Law, Consumer Protection, and resulting harm/potential harm.

To reduce these risks, the Trustees and The Minster Centre's management have identified actions that include:

- At least twice-yearly reviews of student recruitment to identify trends and plan any adjustments to, for instance, marketing or course planning
- A Board sub-committee, with the support of specialist advice, reviews the Centre's long-term premises needs and costs.
- A Board sub-committee which supports identification and implementation of business development opportunities to ensure the sustainability of the Centre in future.
- Investing in activity that will support the quality of the charity's work and communications (thereby protecting its reputation). These include

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

maintaining accreditation/registration with key bodies including Office for Students (OfS), UK Council for Psychotherapy (UKCP), British Association for Counselling and Psychotherapy (BACP) and engaging in quality assurance processes and reviews

- Establishing and maintaining clear governance, policies and procedures to support strong management of finances and staff and excellent delivery of services to students, clients, Members and the general public.

Level of reserves

The Board keeps under review the level of reserves held to ensure the Centre's sustainability and to maintain a balance between funds set aside and expenditure on ongoing charitable activity.

Student protection plan and ethical closure of services It is a requirement of OfS registration that we have a student protection plan. The Board of Trustees continues to be committed to ensuring that, in the event of cessation of a course or a service, students can complete courses they have commenced or, where possible, be transferred to an alternative course and any client work can be brought to an appropriate ending. In the event of a major reduction in recruitment, which leads the Centre to take the decision to close a course that takes more than one year to complete, the Centre is committed to teaching trainees to qualification. The direct costs of maintaining tuition for courses that take more than one year and the linked support costs would taper off as each cohort of students completed their qualification. Continuing fees from the remaining students would offset costs. When a course or service finally closed staff redundancy might be incurred. The FSC keeps under review the level of designated reserve funds needed to cover costs incurred in teaching out a course or closing or reducing MCPCS and undertook a review of the level needed in 2021. The target ethical closure fund was set at £200,000.

In addition, the Board has retained the Premises fund, which is held to support additional premises costs or changes, of £100,000 with an aspiration to raise it to a maximum of £150,000 when funds allow. In addition, the £30,000 designated fund for course development and £15,000 bursaries were retained. The course development fund is to support work to develop or improve existing courses or develop new ones. Expenditure against it was not made during the pandemic period because of other priorities, but work on course development is now restarting in line with the strategic aims, with work underway to look at access to training and widening the curriculum to support our EDI commitment. The bursaries reserve is a back up to ensure we can cover our commitments to students already on bursaries in the event of a reduction in available income. The level of this will be reviewed in 2023.

The Trustee's target reserves are minimum designated funds £345,000, ideal £395,000 and general reserves £135,000, total target reserve level minimum £480,000 with an ideal of £530,000.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

At June 30th 2022 reserves stood at:

Unrestricted designated funds

Ethical closure	£200,000
Premises	£100,000
Bursaries	£15,000
Course development	£30,000
Total designated funds:	£345,000

General reserves:	£158,423
Total reserves:	£503,423

Aside from the Premises Fund, the designated reserves held equate to the target levels. The general funds are modestly in excess of the Board's target. The Board will review the Premises fund in 2023 to identify if additional funds should be added in the light of the Centre's overall financial position.

During the period the Board's Finance Sub-Committee started exploring options for investing reserves given the, at the time anticipated and now actual, increases in inflation and interest rates. This work will be completed in 2023. The aim is not to dramatically increase the level of reserves but to maintain their value as far as possible.

The Trustees will continue to keep The Minster Centre's reserves under review. If it looks as though reserves will be in excess of identified need, steps will be taken to support activities planned to meet the identified strategic aims.

4.4 Going concern

During the audit process the FSC, on behalf of the Board of Trustees, reviewed the level of reserves and cash held, the budget for 2022-23 and 2023-24, and the level of debtors, deferred income and on-going fees. They also considered the level of interest in Minster Centre courses, and external factors including the overall economic situation and workforce availability. These considerations were shared with the auditors. FSC and the Board have satisfied themselves that there are no material uncertainties, and the Minster Centre is a going concern.

Having reviewed Charity Commission guidance on reserves, cashflow and the level of reserves, the Board is satisfied that there are no material uncertainties affecting the Centre, and so can conclude that it has a reasonable expectation that it will be a going concern for the foreseeable future, deemed to be 12 months from approving these accounts.

5. Future outlook for the Minster Centre

5.1 Future strategic direction

During 2019 the Board set the Centre's strategic aims for the period 2019-2024 and identified four key strands. In 2022 the Board began a process of reviewing its strategic aims in the light of developments since 2020. This process is ongoing. Whilst retaining the overall direction of the 2019 strategic aims, the Board is seeking

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

to make its commitment to EDI more explicit with a commitment to become a leader in our field in EDI and student engagement.

5.2 Principal risks and uncertainties

The Trustees carry out an annual risk assessment, agreeing measures to mitigate risks that would be high impact and/or have a high probability of occurrence. Risk assessment includes consideration of strategic, financial, operational, technological, human resource, and reputational risks. It includes the Prevent Duty to have due regard to the need to prevent people from being drawn into terrorism. In addition to the annual review, identified risks are reviewed at Board meetings. During the period the Board was mindful of the external environment first as we emerged from Covid measure and more recently the impact of a more unstable political and economic environment both in the UK and internationally.

Key risks identified for 2022 onwards, with their mitigation measures, include:

- Failing to meet expectation to offer training or services accessible to a diverse student body/local population (Mitigation: focus on EDI is a Strategic Aim, clear student feedback and engagement, support to membership through CPD programme and online resources, developing strategic partnerships, complaints handling, improved data monitoring of student and staff demographics and achievement, staff training and supervision of supervision, review inclusivity impact tool, develop MCPSC client feedback.)
- Sustainability of operations damaged by major loss of income (drop in student numbers, increase in arrears / defaults on fees, loss of other income streams) or increase in costs (premises or staff). (Mitigation: strong financial reporting systems, monitoring of student recruitment, Business development and Premises sub-committees).
- Failure to meet regulations and requirements e.g., Data Protection, Employment Law, Consumer Protection, H&S (Mitigation: clear policies and procedures with planned reviews, staff training)
- Reputation damaged as a result of poor processes/ procedures or behaviour of staff/students. (Mitigation: culture and leadership supports living our values, positive engagement with quality assurance, clear complaints, grievance and fitness to practice procedures, Ethics Committee)
- Successfully identifying the balance of online versus in-person training and therapy post-Covid and ensuring access to the right staffing and premises to support that (cost, size, location). (Mitigation: Board review of future training mix, FSC actively looking at the resources needed to support different options.)
- Loss of capabilities (key staff leave, staff performance decreases, difficulty recruiting) (Mitigation: remuneration and appraisal policies, organisational culture, commitment to management that is facilitative and developmental, management of staff leave and workloads, investment in staff training and support, Trainer Trainee scheme, succession planning for senior staff).

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

- Unable to deliver planned training or services because suitable premises/facilities not available (cost, size, location.) (Mitigation: Premises sub-Committee, expert advice).
- Change of training environment e.g., government policy ceases to support alternative providers, political/social upheaval, major economic change (Mitigation: Engagement with OfS, UKCP, BACP, Middlesex University – advance awareness of likely change, clear Mission, Vision, Values and understanding of charitable purposes, diverse skills and experience on the Board, Business Development Sub-Committee).

6. Statement of responsibilities of the Trustees

The Trustees (who are also directors of The Minster Centre for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 30 June 2022 was 15 (Trustees remain guarantors for 12 months after they resign). The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was the company's auditor during the year.

This report was approved by the Trustees on 25 November 2022 and signed on its behalf by:


NB Carley (Dec 6, 2022 14:13 GMT)

Nick Carley Chair

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

7. Independent auditor's report to the members of The Minster Centre

Opinion

We have audited the financial statements of The Minster Centre (the 'charitable company') for the 18-month period ended 30 June 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure for the period then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

Other Information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

The Minster Centre

Trustees' report and financial statements for the period to 30 June 2022

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

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

Noelia Serrano (Senior statutory auditor)

Date 8 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Minster Centre

Statement of financial activities (incorporating an income and expenditure account)

For the period ended 30 June 2022

				2022 18 Month Period Total	2020 12 Month Period Total
	Note	Unrestricted £	Restricted £	£	£
Income from:					
Charitable activities					
Training Activities		2,353,421	-	2,353,421	1,406,345
Donations		-	13,483	13,483	-
Minster Centre Psychotherapy & Counselling Service (MCPCS)		154,868	-	154,868	95,876
Room Hire ,Membership Income & JRS grant		28,972	-	28,972	54,359
Investment interest		1,331	-	1,331	1,749
Total income	2	2,538,592	13,483	2,552,075	1,558,329
Expenditure on:					
Charitable activities	3				
Training Activities		2,426,205	13,483	2,439,688	1,535,821
Minster Centre Therapy Service		87,794	-	87,794	55,171
Total expenditure		2,514,000	13,483	2,527,483	1,590,991
Net movement in funds		24,592	-	24,592	(32,662)
Reconciliation of funds:					
Total funds brought forward		478,831	-	478,831	511,493
Total funds carried forward	18	503,423	-	503,423	478,831

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18a to the financial statements. In 2020 all income and expenditure was unrestricted. In 2021-22 the Centre received £13,483 in restricted donations.

As at 30 June 2022

	Note	£	£	30 June 2022 £	31 December 2020 £
Fixed assets:					
Tangible assets	11		30,654		31,357
			<u>30,654</u>		<u>31,357</u>
Current assets:					
Debtors	12	124,112		468,470	
1 Year Fixed Term Deposit		91,598		91,305	
Cash at bank and in hand		564,453		713,442	
		<u>780,162</u>		<u>1,273,217</u>	
Liabilities:					
Creditors: amounts falling due within one	13	307,393		825,744	
		<u>307,393</u>		<u>825,744</u>	
Net current assets			<u>472,769</u>		<u>447,474</u>
Total net assets			<u>503,423</u>		<u>478,831</u>
The funds of the charity:	17				
Restricted income funds:					
Donations to Bursary fund			-		-
Unrestricted income funds:					
Designated funds		345,000		345,000	
General funds		158,423		133,831	
		<u>503,423</u>		<u>503,423</u>	
Total unrestricted funds			<u>503,423</u>		<u>478,831</u>
Total charity funds			<u>503,423</u>		<u>478,831</u>

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

Approved on 25 November 2022 and signed by:

NB Carley
NB Carley (Dec 6, 2022 14:11 GMT)

Nick Carley
Chair

Felicity Wright

Felicity Wright
Accountable officer

Statement of cash flows

For the period ended 30 June 2022

	Note	18 Months to June 2022	12 Months to December 2020
		£	£
Cash flows from operating activities			
Net cash provided by operating activities	19	(137,487)	71,768
Cash flows from investing activities:			
Purchase of fixed assets		(12,539)	-
Interest from investments		1,331	1,749
Movement in investments		(293)	(679)
Net cash provided by/ (used in) investing activities		(11,501)	1,070
Change in cash and cash equivalents in the year		(148,989)	72,837
Cash and cash equivalents at the beginning of the year		713,442	640,605
Cash and cash equivalents at the end of the year	20	564,453	713,442

1 Accounting policies

a) Statutory information

The Minster Centre is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address and principal place of business is 20 Lonsdale Road, Queen's Park, London NW6 6RD.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity complies with the Office for Students Regulatory advice 9: Accounts direction effective for accounting periods.

The financial statements have been prepared for a 18 month period from 1 January 2021 to 30 June 2022. The comparatives relate to the year to 31 December 2020.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include a thorough and detailed review of income & expenditure, and the annual review of risks and mitigation measures.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Investments

Scottish Widows deposit, 1 year fixed term, Maturity 14 January 2023. Interest rate 0.25% gross AER.

h) Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

1 Accounting policies (continued)

i) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity heading:

- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|-------------------|-------|
| ● Training | 96.0% |
| ● Therapy Service | 4.0% |

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|--|--------|
| ● Leasehold Improvements – Reducing balance method | 22.20% |
| ● Computer Equipment – Straight line method | 25% |
| ● Website – Straight line method | 25% |
| ● Fixtures & Fittings – Reducing balance method | 25% |

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. One year term deposits are accounted for as current asset investments.

1 Accounting policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Pensions

The Minster Centre operates a defined contribution automatic enrolment pension scheme managed by The People's Pension. Contributions are accounted for as expenditure as they fall due.

2 Analysis of Income from charitable activities

	18 month period 2022 £	12 month period 2020 £
Donations	13,483	-
Grant income Job Retention Scheme	2,151	13,971
Fee income for Room hire & membership fees	26,821	40,388
Fee income for MCPCS	154,868	95,876
Fee income for taught awards	507,875	429,686
Fee income from non-qualifying courses	1,845,546	976,659
Total grant and fee income	<u>2,550,744</u>	<u>1,556,580</u>

Notes to the financial statements

For the period ended 30 June 2022

3a Analysis of expenditure (current year)

	Charitable activities		Governance costs	Support costs	18 month period 2022 Total	12 month period 2020 Total
	Training £	MCPCS £	£	£	£	£
Staff costs (Note 7)	1,744,798	62,698	-	-	1,807,496	1,084,127
Direct cost	8,842	-	-	-	8,842	43,571
QAA costs	4,550	-	-	-	4,550	3,485
1) Withdrawn/Deferred	39,291	-	-	-	39,291	46,947
Room hire costs	325	-	-	-	325	20
Bursaries	31,136	-	-	-	31,136	18,633
Minster Fund (Hardship fund)	3,025	-	-	-	3,025	4,700
<i>Support and governance costs:</i>						
2) Premises costs			-	467,481	467,481	289,321
Office costs			-	110,997	110,997	72,940
3) Professional costs			-	11,228	11,228	114
Marketing			-	9,132	9,132	7,741
Bank charges			-	1,476	1,476	1,494
4) Other staff costs			-	20,533	20,533	6,125
Audit and accountancy			11,970	-	11,970	11,760
Trustee meeting expenses	-	-	-	-	-	15
	1,831,967	62,698	11,970	620,848	2,527,483	1,590,991
Support costs	595,751	25,097	-	(620,848)	-	-
Governance costs	11,970	-	(11,970)	-	-	-
Total expenditure 2022	2,439,688	87,794	-	-	2,527,483	1,590,991
Total expenditure 2020	1,535,821	55,171	-	-	1,590,991	

All expenditure in 2020 and 2022 was unrestricted. The 2022 year end is a 18 month period to 30 June.

- 1) Withdrawn/Deferred: Represents income lost from students who have left part way through a course, those who have deferred hope to return to complete their course at a future date.
- 2) The increase in premises costs are due to variations in service charges, related costs and timings of payments.
- 3) Professional costs have increased primarily due to HR service and training support consultation.
- 4) Other staff costs include an agency temp over several months.

3b Analysis of expenditure (prior year)

	Charitable activities		Governance costs	Support costs	Total 2020	Total 2019
	Training	MCPCS				
	£	£	£	£	£	£
Staff costs (Note 7)	1,045,796	38,330	-	-	1,084,127	1,015,874
Direct cost	41,825	1,746	-	-	43,571	15,416
QAA costs	3,485	-	-	-	3,485	1,775
1) Withdrawn/Deferred	46,947	-	-	-	46,947	44,900
Room hire costs	20	-	-	-	20	15
Bursaries	18,633	-	-	-	18,633	24,919
Minster Fund (Hardship fund)	4,700	-	-	-	4,700	3,439
<i>Support and governance costs:</i>						
2) Premises costs	-	-	-	289,321	289,321	286,923
Office costs	-	-	-	72,940	72,940	72,090
Professional costs	-	-	-	114	114	34
Marketing	-	-	-	7,741	7,741	15,354
Bank charges	-	-	-	1,494	1,494	2,709
Other staff costs	-	-	-	6,125	6,125	16,701
Audit and accountancy	-	-	11,760	-	11,760	11,160
Trustee meeting expenses	-	-	-	15	15	189
	1,161,407	40,076	11,760	377,749	1,590,991	1,511,498
Support costs	362,654	15,095	-	(377,749)	-	-
Governance costs	11,760	-	(11,760)	-	-	-
Total expenditure 2021	1,535,821	55,171	-	-	1,590,991	1,511,498

All expenditure in both years was unrestricted.

- 1) Withdrawn/Deferred: Represents income lost from students who have left part way through a course, but either hope to return to complete their course at a future date or whose remaining fees for the year have been waived because of exceptional extenuating circumstances.
- 2) Increase in expenditure due to website development.

Notes to the financial statements

For the year ended 30 June 2022

4 Grant making

	Grants to individuals £	Support costs £	2022 £	2020 £
Cost				
Training bursaries & hardship funds	34,161	-	34,161	23,333
At the end of the year	34,161	-	34,161	23,333

Fourteen grants made in 2021–22. All grants were to individuals.

5 Access and participation expenditure

Declaration of expenditure on access and participation is a requirement of the Office for Students (OfS) for HE institutions that have an agreed Access and Participation Plan. The Minster Centre does not have an agreed OfS Access and Participation Plan because it does not offer any undergraduate programmes.

6 Net incoming resources for the year

This is stated after charging / crediting:

	18 months to 30 June 2022 £	12 months to December 2020 £
Depreciation	13,244	9,513
Operating lease rentals:		
Property	378,135	247,466
Auditor's remuneration (excluding VAT):		
Annual audit	9,975	9,400

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	18 months to 30 June 2022 £	12 months to December 2020 £
Self-employed	36,882	34,712
Staff costs	1,639,800	969,064
Social security costs	104,063	65,405
Employer's contribution to defined contribution pension schemes	26,752	14,946
	1,807,496	1,084,127

The following number of employees received employee benefits (excluding employer pension costs and employer's employer's national insurance) during the 18 month period to 30 June 2022:

	No.
£60,000 – £69,999	0
£70,000 – £79,999	1
£80,000 – £89,000	0
£90,000 – £99,999	0

Key management personnel are the Minster Centre Senior Management Team. During the period this consisted of one Director and three Deputy Directors, one Deputy Director was employed to a temporary post. All four posts were part-time. The total employee benefits (including pension contributions and employer's national insurance) to the Senior Management Team in 21–2022 were £248,870 (2020: £113,704).

Notes to the financial statements

For the year ended 30 June 2022

8 Senior staff pay

In the 18 month period the charity had one member of staff paid over £100,000, based on a full time equivalent basis. Full time equivalent 12 month remuneration would be £70,374.
The head of the provider's remuneration details are as set out below;

	18 months to 30 June 2022 £	12 months to December 2020 £
Basic salary	70,550	46,058
Payments in lieu of pension contributions	-	-
Performance related pay	-	-
Pension contributions	1,836	1,195
Salary sacrifice	-	-
Other taxable benefits	-	-
Non-taxable benefits	-	-
	72,385	47,253

The same individual held the post during both periods:

There were no taxable or non-taxable benefits.

The head of the provider's remuneration is determined by the Remuneration Sub-Committee (RSC) taking into account comparisons with national charity pay levels, remuneration in Higher Education, and the ratios of highest to lowest and highest to median rates of pay in the Centre taking into account the Centre's financial position and strategic priorities, cost of living increases, recruitment and retention rates.

The head of the provider's total remuneration is 2.2 times (2020: 2.2 times) the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff and 3.0 times the lowest rate of pay.

One member of staff received severance payment during the period 2021 – 22 £11,550 (2020: £0).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows.
Full-time equivalent (FTE) numbers are also given:

	18 months to 2022		12 months to 2020	
	Headcount No.	FTE No.	Headcount No.	FTE No.
Training Activities	62.2	14	53.7	11.1
Therapy Service	2.5	1.6	2.0	1.7
Support	9.1	6.6	11.7	7.2
Governance	1.1	0.7	1.3	0.6
	74.9	23.1	68.7	20.6

10 Related party transactions

Payments for supply of goods or services by trustees comply with the Articles of Association page 4 & 5, Section 7.

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2021-22: £nil).

Staff Trustees Mark Gullidge (to Dec 21) and Morica Daley (from April 21) & the Director Lissie Wright received salaries but no additional payments in respect of their role as Trustees.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 . (2020: £15 relating to one trustees).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Website £	Total £
Cost or valuation					
At the start of the period	276,715	9,318	5,206	6,787	298,026
Additions in period	-	5,039	-	7,500	12,539
Disposals in period	-	-	-	-	-
At the end of the period	276,715	14,357	5,206	14,287	310,565
Depreciation					
At the start of the period	246,482	9,318	4,080	6,787	266,667
Charge for the period	10,065	1,155	1,126	898	13,244
At the end of the period	256,547	10,473	5,206	7,685	279,911
Net book value					
At the end of the period	20,168	3,884	-	6,602	30,654
Net book value					
At the start of the period	30,233	-	1,124	-	31,357

All of the above assets are used for charitable purposes.

12 Debtors

	30 June 2022 £	31 December 2020 £
Trade debtors	31,234	391,762
Prepayments	92,878	76,708
	124,112	468,470

13 Creditors: amounts falling due within one year

	30 June 2022 £	31 December 2020 £
Trade creditors	21,734	9,764
Taxation and social security	29,608	28,715
Other creditors	103,744	63,354
Accruals	87,006	33,977
Deferred income	65,301	689,934
	307,393	825,744

14 Deferred income

Invoices are issued at different points in the year for different training programmes. Some courses run over the year end. Where this happens income relating to training yet to be delivered is deferred into the following financial period. The deferred income has been reduced due to the change in year end.

	30 June 2022 £	31 December 2020 £
Balance at the beginning of the year	689,934	710,046
Amount released to income in the year	(689,934)	(710,046)
Amount deferred in the year	65,301	689,934
Balance at the end of the year	<u>65,301</u>	<u>689,934</u>

15 Pension scheme

The Minster uses The People's Pension scheme as its sole provider. 40 employees were enrolled in the scheme June 2022 (December 2020: 44).

16 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

17a Analysis of net assets between funds (current period)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	30,654	–	–	30,654
Net current assets	127,769	345,000	–	472,769
Net assets at the end of the period	<u>158,423</u>	<u>345,000</u>	<u>–</u>	<u>503,423</u>

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	31,357	–	–	31,357
Net current assets	102,474	345,000	–	447,474
Net assets at the end of the year	<u>133,831</u>	<u>345,000</u>	<u>–</u>	<u>478,831</u>

Notes to the financial statements

For the year ended 30 June 2022

18a Movements in funds (current period)

	At the start of the period £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the period £
Restricted funds:					
Donations to bursary fund	-	13,483	(13,483)	-	-
Total restricted funds	-	13,483	(13,483)	-	-
Unrestricted funds:					
Designated funds:					
Course Development	30,000	-	-	-	30,000
Premises	100,000	-	-	-	100,000
Ethical Closure	200,000	-	-	-	200,000
Bursary fund	15,000	-	(31,136)	31,136	15,000
Total designated funds	345,000	-	(31,136)	31,136	345,000
General funds	133,831	2,538,592	(2,482,864)	(31,136)	158,423
Total unrestricted funds	478,831	2,538,592	(2,514,000)	-	503,423
Total funds	478,831	2,552,075	(2,527,483)	-	503,423

18b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Donations to bursary fund	2,157	-	(2,157)	-	-
Total restricted funds	2,157	-	(2,157)	-	-
Unrestricted funds:					
Designated funds:					
Course Development	30,000	-	-	-	30,000
Premises	125,000	-	-	(25,000)	100,000
Ethical Closure	260,000	-	-	(60,000)	200,000
Bursary fund	15,000	-	(21,176)	21,176	15,000
Total designated funds	430,000	-	(21,176)	(63,824)	345,000
General funds	79,336	1,558,329	(1,567,658)	63,824	133,831
Total unrestricted funds	509,336	1,558,329	(1,588,834)	-	478,831
Total funds	511,493	1,558,329	(1,590,991)	-	478,831

18 Movements in funds (continued)

Purposes of designated funds

Premises: This fund will be used to enable the charity to repair or improve their premises or support a move to new premises.

Ethical Closure: This fund will be used to ensure that, should training numbers reduce to the point where they are no longer viable, students already part-way through their courses will be offered a means to complete their training. The level of this fund was reviewed in 2020.

Course development: The Trustees agreed an additional fund for 2020 to support the development of existing and new psychotherapy or counselling courses.

Bursary: This fund will be used to ensure we could continue to support students already in receipt of bursaries in the event of a reduction of income.

General funds

The Charity is required to reinvest profits from its training activity back into training work to benefit from its VAT exemption.

Restricted funds:

2022: £13,483 was donated to the Bursary fund by individuals at The Minster Centre.

2022: £31,136 was awarded as bursaries in 2021-22.

19 Reconciliation of net income to net cash flow from operating activities

	18 months to 30 June 2022	12 months to December 2020
	£	£
Net expenditure / (income) for the reporting period (as per the statement of financial activities)	24,592	(32,662)
Depreciation charges	13,244	9,513
Interest from investments	(1,331)	(1,749)
Decrease in debtors	344,358	56,368
(Decrease) / Increase in creditors	(518,350)	40,298
Net cash (used in) / provided by operating activities	(137,487)	71,768

20 Analysis of cash and cash equivalents

	At 1 January 2021 £	Cash flows £	Other changes £	At 30 June 2022 £
Cash at bank and in hand	77,608		-	77,608
Notice deposits (less than three months)	635,834	(148,989)		486,845
Total cash and cash equivalents	713,442	(148,989)	-	564,453

21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property	
	18 months to 30 June 2022 £	12 months to December 2020 £
Less than one year	236,774	236,774
One to five years	1,640,000	710,322
	1,876,774	947,096

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each trustee in the event of winding up is limited to £1.

23 Governance arrangements

The Minster Centre's Board of Trustees is responsible for ensuring that the Centre maintains an effective system of internal control that supports the achievement of strategic aims and objectives whilst safeguarding assets for which it is responsible.

Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of policies, aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. This process has been in place for the period ended 30 June 2022 and up to the date of approval of the financial statements, and accords with Office for Students guidance.

The Board of Trustees has delegated the day to day responsibility to the Director, as Accountable Officer, for reviewing the adequacy of the system of internal control and making any appropriate amendments. She is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

The following processes are in place to ensure the effectiveness of the Centre's internal control and risk management:

The Board of Trustees meets at least five times a year to consider the plans and strategic direction of the Centre. This includes reviewing the strategic plan or key strategic issues (usually at a dedicated meeting in June). It is advised by its key committees, receiving regular reports from each committee and other reports from management as required.

The Board of Trustees ensures that its meeting calendar enables risk management and internal control to be considered on a regular basis during the year.

An organisation-wide risk register is maintained. The register is reviewed and updated regularly, and the Director reports on the actions taken to mitigate risks. The Board reviews the Risk Register at least annually, usually at its January meeting, and considers an identified risk at each meeting.

Consideration is given to the full range of risks across the Centre, including business, operational, financial, reputational and compliance and focuses on reviewing the most important risks and the actions taken to mitigate them. Review of risk includes consideration of new or emerging risks.

Monthly management accounts are presented to the Director and Finance Sub-Committee and the Board reviews management accounts at each of its meetings.

The annual budget and financial forecasts are presented to the Finance committee ahead of formal approval by the Board of Trustees.

The Centre has a remuneration policy and senior staff pay is determined by a Remuneration Sub-Committee (RSC) taking into account comparisons with national charity pay levels, remuneration in Higher Education and the ratios of highest to lowest and highest to median rates of pay. The RSC also agrees and annually reviews the overall approach to staff pay and any annual pay increases.

The Board of Trustees is of the view that there is an ongoing process for identifying, evaluating and managing the Centre's significant risks; that it has been in place for the period ended 30 June 2022 and up to the date of approval of the annual accounts and that it is regularly reviewed by the Board. These processes enable the Centre to identify those elements of internal control which require further strengthening and these reviews have not identified any significant area of internal control weakness for the Centre.