

Registered number 3258939  
Charity number 1058545

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

WEDNESDAY



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**LAKIN ROSE**  
CHARTERED ACCOUNTANTS

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**CONTENTS**

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	Page
<b>Reference and administrative details of the charity, its trustees and advisers</b>	1 - 2
<b>Trustees' report</b>	3 - 10
<b>Independent auditors' report</b>	11 - 12
<b>Statement of financial activities</b>	13
<b>Balance sheet</b>	14
<b>Notes to the financial statements</b>	15 - 25

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**

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**UKCP Council**

<b>Officers</b>	James Antnican, Chair Adrian Rhodes, Vice Chair (Regulation) (Vacant), Vice Chair (Registrants) Mary MacCallum Sullivan, Honorary Secretary Sally Forster, Treasurer Shila Rashid, Chair, Diversity and Equalities Committee (Vacant), Chair, Ethics Committee
<b>Section Chairs</b>	Greg Scott, Behavioural & Cognitive Psychotherapy Bron Sweeney, Experiential Constructivist Therapies Inger Gordon, Family, Couple, Sexual & Systemic Therapy Richard Cleminson, Humanistic & Integrative Psychotherapy Keith Bibby, Hypno-Psychotherapy Bruce Kinsey, Analytical Psychology - Psychoanalytic & Psychodynamic Peter Lavender, Psychotherapeutic Counselling
<b>Special Members</b>	Elaine Iljon Foreman, British Psychological Society (Vacant), Royal College of Psychiatrists
<b>Institutional Members</b>	Dr Dennis Greenwood, Universities Psychotherapy and Counselling Association Francis Lillie, British Association for Behavioural and Cognitive Psychotherapy
<b>Ordinary Members</b>	Heward Wilkinson, ScPTI Simon Clarke David Mazure, MC Michael Knight, ACAT
<b>Non-voting Ex-officio Members</b>	John Monk-Steel, Chair, Registration Board Carmen Joanna Ablack, Chair, Standards Board Jennie McNamara, Psychotherapy with Children Committee Peter Stratton, Chair, Research Committee
<b>Company registered number</b>	3258939
<b>Charity registered number</b>	1058545
<b>Registered office</b>	2nd Floor Edward House 2 Wakley Street London EC1V 7LT
<b>Patron</b>	Terry Waite, CBE
<b>Company Secretary</b>	Mary MacCallum Sullivan

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**

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<b>Auditors</b>	Lakin Rose Limited Chartered Accountants Registered Auditors Pioneer House Vision Park Histon Cambridge CB24 9NL
<b>Bankers</b>	Barclays Bank plc PO Box 2764 London NW3 6JD  Charities Aid Foundation Kings Hill West Malling Kent ME19 4TA
<b>Solicitors</b>	Field Fisher Waterhouse 35 Vine Street London EC3N 2AA

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of The United Kingdom Council for Psychotherapy (the charity) for the year ended 30 September 2007. The trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**Structure, governance and management**

**a. CONSTITUTION**

The United Kingdom Council for Psychotherapy (UKCP) is a company limited by guarantee without a share capital (registered company number 3258939). UKCP is governed by its Memorandum and Articles of Association and an elected Board of Trustees. It is a registered charity (registered number 1058545).

**b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The current trustees are shown on the Reference and Administrative Details pages attached to this report.

Changes in appointments at General Meetings were as follows:

**Appointments with effect from 18 March 2007**

James Antnican  
Adrian Rhodes  
Courtenay Young  
Simon Clarke  
David Mazure  
Peter Stratton

**Resignations with effect from 18 March 2007**

Tone Horwood  
Lisa Wake  
Katherine Murphy  
Sian Ellis  
Christine Lister-Ford

Other changes in appointments during the year and since were:

- Sue Sunkel resigned 3 February 2007.
- Bruce Kinsey appointed 3 February 2007
- Sarah Collins resigned 12 September 2007
- Don Montgomery resigned 31 August 2007
- Courtenay Young resigned 1 January 2008

**Appointments with effect from 3 November 2007**

Francis Lillie  
Peter Lavender  
Inger Gordon  
Gregg Scott

**Resignations with effect from 3 November 2007**

Sally Openshaw  
Irene Tubbs  
Linda Matthews

**c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

On appointment each trustee completes a register of interest, a skills audit and is asked to identify their training needs. At the first full board following the AGM in 2007 all trustees were given an induction in the role and responsibilities of being a trustee and were given the Charity Commission leaflets - Responsibilities of Charity Trustees, How to be an Effective Trustee and The Hallmarks of an Effective Charity.

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The charity is an umbrella organisation representing all different psychotherapies. It has 80 Full Member Organisations (MOs) who deliver training in Psychotherapy or Psychotherapeutic Counselling and/or accredit and/or List individual psychotherapists or psychotherapeutic counsellors as well as 2 Institutional Members and 2 Special Members.

Full Member Organisations are also members of one of the seven Sections which represent the distinct modalities in Psychotherapy including Psychotherapeutic Counselling. Governance of the charity is the responsibility of the Board of Trustees. The Board delegate responsibility for overseeing the ongoing work of the charity and the delivering of policy determined by the Board of Trustees to an Executive Committee.

The Officers of the charity are Chair, Vice Chair (Regulation), Vice Chair (Registrants), Honorary Secretary, Treasurer, Ethics Officer and Diversity and Equalities Officer. The Officers are elected by the membership of the charity at a General Meeting on the basis of one vote per member and by a simple majority of the votes cast. They take office at the end of the Annual General Meeting. All Officers with the exception of the Treasurer must be a delegate of a full Member Organisation of the UKCP.

The Executive Committee is composed of the Officers as voting members and the Chairs of the Registration and Standards Boards and the General Manager as non-voting members.

The Board of Trustees is composed of:

- the Officers
- a representative of each of the seven Sections
- 2 representatives of the Institutional Members
- 2 representatives of the Special Members
- four Ordinary Members elected by the AGM, who are each delegates of a Member Organisation

The Chairs of the Registration and Standards Boards, the Chair of the Psychotherapy with Children Committee and the Chair of the Research Committee are non-voting ex-officio members of the Board of Trustees. The Research Committee is now represented directly on the Board of Trustees in recognition of the centrality of research into psychotherapy in enabling us to pursue each of our charitable aims.

The Charity continues the process of reorganisation. We continue to be bound by a cumbersome constitution, which makes decision making difficult and lengthy. Immediately following the AGM in 2006, a Constitutional Working Group was formed, and considerable deliberation has gone into this work, including recommendations that we approach the move towards Colleges in a different way. To this end the Board of Trustees has embarked upon a program of extended consultation with member organisations and registrants to reconsider the charity's vision for itself, and consequent to that, the best organisational structure. The move from Sections to Colleges is paused while we re-evaluate. It is anticipated that this process will not be completed until the AGM of 2009. In the meantime, the levy on registrants, collected to finance the implementation of colleges, is ring fenced and invested.

**e. RELATED PARTY RELATIONSHIPS**

UKCP Media Ltd remained dormant during the financial year ending 30th September 2007.

Independent Complaints Organisation (ICO) remained dormant during the financial year ending 30 September 2007.

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**f. RISK MANAGEMENT**

The trustees have undertaken a thorough assessment of the major risks facing the charity. The most significant risk and opportunity facing the charity is the decision by the government to implement full statutory regulation of Counselling and Psychotherapy announced in the white paper of February 2007. The charity has worked for some time, and continues to work, to influence the shape of government regulation. We consider this as central to our charitable objects. The associated risk is the potential loss in registrant numbers post statutory regulation while the potential opportunity is the freeing of creative energy to put more emphasis on our other charitable objectives. The charity's process of re-visioning and reorganisation is central to the management of this risk. Risk management is a key part of the annual planning process.

**Objectives and Activities**

**a. POLICIES AND OBJECTIVES**

The charity's principal objectives continue to be:

- To promote the art and science of psychotherapy for the public benefit,
- To promote research and education in psychotherapy and to disseminate the results of any such research, and
- To promote (or assist in the promotion, preservation and protection of public health by encouraging) high standards of training and practice in psychotherapy and the wider provision of psychotherapy for the public.

There have been no changes in these objectives during the year.

**b. STRATEGIES FOR ACHIEVING OBJECTIVES**

The charity's strategies for achieving its objectives are:

- Develop, inform and contribute to debate at all levels (Government, professional & lay) on all aspects of psychological therapy including access, standards, delivery, efficacy & regulation in the UK, Europe and the wider community,
- Support research into all aspects of psychological therapy
- Ensure that the UKCP is optimally structured to deliver effective self-regulation,
- Develop, maintain and publicise a public register of suitably trained and qualified practitioners,
- Disseminate information about different types of psychological therapy to the general public,
- Support and encourage education and debate within the profession.

**Achievements and performance**

**a. REVIEW OF ACTIVITIES**

**Statutory Regulation**

Over the last year, we have continued to be involved in the alliance of psychological professions working to shape statutory regulation. At the beginning of the financial year we were endeavouring to demonstrate to the Department of Health that a Psychological Professions Council would be a more appropriate vehicle for the regulation of the profession than the Health Professions Council (HPC). This work was done in collaboration with the British Association for Counselling and Psychotherapy (BACP), the British Psychological Society (BPS), The British Association for Cognitive and Behaviour Therapy (BABCP) and the British Psychoanalytic Council (BPC).

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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It seems likely that, following the publication of the White Paper in February 2007, regulation will be via HPC. However, we believe that the process of building the cooperation required to propose the Psychological Professions Council together with our own work to move the UKCP towards a modern regulatory structure will provide invaluable learning to bring to the consultation process with HPC. We are particularly concerned with how HPC plans to ensure public protection while managing the transition into statutory regulation. Many who work in the profession work voluntarily, many are self-employed and of course many of those who are employed work outside the health field. We would like to see a full impact assessment of the proposed regulatory regime, looking at both the mid-term and the long-term impact, on service delivery across all sectors of service provision. Again we are working in close collaboration with the other professional bodies in the field.

**National Occupational Standards**

Several current UKCP Registrants are involved in different aspects of the work on National Occupational Standards being led by Skills for Health. The CBT Modality Reference Group (a working group assisting with the interpretation of research and statements of evidence) is the first of the groups constituted where UKCP is represented by Gladeana MacMahon. Others will follow with UKCP practitioner representation. The Chair of Standards Board has been invited to sit on the National Reference Group, which is the means for engaging with key stakeholders. This group is due to meet towards the end of this year.

**Effective Self-Regulation**

We continue to work towards the establishment of an independently delivered Centralised Complaints Process (CCP). The system ensures that complaints are heard by independent tribunals with lay representation and are completely removed from the training organisation to which the therapist is affiliated. Our initial intention had been to have the CCP delivered through an independent company the Independent Complaints Organisation (ICO). Our aim was two fold – to have a service in place that would demonstrate an effective model for complaint handling in the Psychological Professions, and to have a system that could be used for low level complaints if a statutory regulator only took over the handling of serious complaints. We believed that there was a need for independent complaint handling in other organisations and that by setting up the service and marketing it through an independent company we would thus reduce the costs to our registrants in the medium term. Affordable registration is an important feature for a voluntary regulator.

The implementation of the CCP has not been without its difficulties. As an umbrella organisation, trying to hold together such diverse philosophical underpinnings, projects such as implementing a unified and centralised complaints process inevitably intensify the differences held within the diversity. We have more or less come to a point where the processes of the CCP are agreed by Sections.

Mike Bowen, on secondment to the ICO and Greg Price the ICO case worker have been instrumental in bringing the CCP to this point. However, recent developments have led the Board of Trustees to reappraise the decision to manage the process through an independent company. The government has made it clear that regulation will be statutory and via the Health Professions Council and the Health Professions Council has made it clear that they intend to handle all complaints however minor. Although it is probable that there is still a market for the provision of an Independent Complaints Service, it can no longer be considered to be within the charitable aims of the UKCP to launch such a service. There is not sufficient time to establish a cost benefit to our registrants.

The CCP will thus be implemented and managed internally, under the supervision of the Registration Board, until the Health Professions Council takes over management of complaints.



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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**Increasing Access to Psychological Therapy**

We have been participating in the various working parties associated with the Increasing Access to Psychological Therapies (IAPT) program. We are delighted that the recent comprehensive spending review committed the government to deliver NICE guidelines on depression and anxiety across all strategic Health Authorities. We wholeheartedly support the government's commitment to increase access to evidence-based therapy for mental health problems within the NHS. We are keen to assist with the development of new guidelines to include the full range of therapies. We believe that the relationship is key to successful therapy and believe, along with service users that patient choice is an essential part of any service. We recognise that research, in addition to being one of our core activities, is crucial to appropriate development of service provision.

**Research**

We see a positive use of research as central to making psychotherapy of even more benefit to the public and of pursuing higher standards of training and practice.

As part of our commitment to research we are joint sponsors of the Psychological Therapies in the National Health Service Conference - a conference examining the challenge and the opportunities of evidence based practice for the psychotherapy profession.

In recognition of the importance of research in underpinning all three of our charitable objectives the UKCP Research Committee is being represented at Board level for the first time. One aim of the Research Committee is to provide a service to UKCP itself by putting research-based knowledge and research expertise at the service of the organisation. A second is to help bodies that make or influence policy such as DH and NICE achieve a more realistic understanding of the implications of existing psychotherapy research. The third is to ensure that research plays its full role in the continuing development of psychotherapies. However, the first step is to work towards a more widespread positive perception of research among practitioners themselves.

We are seeking to extend the thinking about what counts as evidence to give greater weight to psychotherapy. That is, not just evaluations of outcome that are appropriate to psychotherapy, but explorations of 'what works' that will assist the further development of effective psychotherapies. In support of this aim we are preparing a Research issue of *The Psychotherapist* (Winter, 2007), and the Research Committee, jointly with the Training Standards Board, is organising a Research Conference on 2nd February 2008 'From Critical Reflexive Practice to Practice Based Research: A Study Day for Clinicians'. A new book entitled *What else works for whom* is in preparation with support from the UKCP Research Unit at Roehampton University.

Much of the effort of the Research Committee at present is focussed on creating a framework by which practitioners, who are not research specialists, can become involved with research. The Research Committee has therefore chosen to put its effort into fostering Practitioner Research Networks (PRNs). Firstly, by organising meetings, the most recent being on 14th September 2007, to create networks and pilot our first research project. In order to understand the full potential of PRNs we also commissioned the UKCP Research Unit at Roehampton University to undertake a review that would consider literature on existing networks, both in the UK and overseas. The Unit is currently working with the Research Committee on the PRN project.

**Conferences, Events and Publications**

We have seen a number of events over the past year, including the highly successful Ethics Conference, which delighted attendees with its innovative approach to the material, and the Supervision Conference, which was heavily oversubscribed and highly commended. We held five open days around the country in collaboration with the ICO, which were enthusiastically received. Next year we are planning to build on the experience of these and hold a number of one-day regional workshops for registrants, including a day at our AGM in Buxton. We co-sponsored the Psychological Therapies in the NHS Research conference with our allied partners. We also plan to hold a Research conference next year in addition to the Supervision and Ethics Conferences.

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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We are running a joint venture with Karnac in producing a UKCP/Karnac Imprimatur. This series of books will be authored by UKCP registrants and published by Karnac. Within the first 18 months, over 70 proposals for books have been submitted and more than 40 have been accepted. These are at various stages of production, two have been launched.

'Diversity, Discipline and Devotion in Psychoanalytic Psychotherapy: Clinical and Training Perspectives' by Mander, Gertrud, and 'What is Psychotherapeutic Research?' by Loewenthal, Del & Winter, David (Eds)

### **Europe**

UKCP continues to be a key member of the European Association of Psychotherapy and our representatives hold key posts there. The EAP represents high training standards for a scientifically based profession and stands for the free and independent practice of psychotherapy. At present the EAP is working to develop psychotherapy competencies to be the norm throughout Europe and beyond, and is working with the European Union to establish a common platform for high quality training and practice. This would allow the free movement of properly qualified psychotherapists across the EU.

### **b. Financial review**

The Statement of Financial Activities covers the twelve months from October 2006 to September 2007. The results of the year's operations are set out in the attached financial statements. In contrast to last year when there was an excess of expenditure over income, this year has seen the charity under-spend significantly. A number of factors have contributed to this including: the delay in establishing the Independent Complaints Organisation, the suspension of the work on colleges while we rethink our vision of ourselves post-regulation, a high turnover of staff has reduced our effort and therefore spend in some areas, most particularly Public Relations. 'The Psychotherapist' has been redesigned, is now being produced in house to a much higher standard and attracting more advertising, our events are becoming established, and are being managed well to produce a small surplus, and generally budgeting is much more tightly controlled.

In an organisation so heavily dependent on voluntary effort, any analysis of expenditure by activity gives a distorted picture of the charity's impact. Those activities associated with the higher levels of expenditure are those, of course, which are implemented by the paid staff. Whereas our contributions to the wider political debate are being carried out by a few very hard working volunteers. Without the long years of work on standards, registration, regulation and quality assurance by many unsung volunteers together with the paid staff, we would not now be in the position that we are, where the charity is recognised as a major contributor to the current debates both on regulation and on increasing access to psychological therapies.

### **c. INVESTMENT POLICY AND PERFORMANCE**

The major part of the charity's cash reserves is held by the Charities Aid Foundation Bank: the money raised from the College Levy, together with the reserve fund, is held in a short term high interest account paying 6.69% from 20/10/07-20/01/08. The operating funds are held in a rapidly changing account which was paying 5.37% on 1/10/07. Listed investments comprising 65,737 units in the CAF UK Equity Growth Fund, valued at £111,938.25 on 30/9/07, will be retained.

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**Financial review**

**a. RESERVES POLICY**

The current charity reserves policy is to keep at least 3 months of operating income to provide a buffer between the end of the financial year and the receipt of the new year's subscriptions and also against any unanticipated drop in registrant numbers. The trustees monitor the income and expenditure of the charity at each Board meeting and review the reserves policy annually.

**b. PRINCIPAL FUNDING**

The trustees recognise that the charity's reliance on a sole source of income - Registrants' fees and Member Organisations' subscriptions - makes the charity vulnerable to unforeseen fluctuations in registrations. It is intended that developing new income streams should become a priority in the coming years.

**Plans for the future**

**a. FUTURE DEVELOPMENTS**

Currently, a substantial number of unpaid hours carry the UKCP forward and the Board recognises that this is an untenable position. We are working towards a greater separation of the Board of Trustees from a Board of Management and, in the interim, on a set of procedures that will allow some officers to be paid for the work that they do for the charity and look forward to the full implementation of the 2006 Charities Act.

The staffing structure needs to be developed to meet the needs of a changing organisation, and to ensure that we recruit and retain staff that can carry a level of consistency across the changes that inevitably occur through the election process. This work is ongoing. Service to registrants still lags behind what would be expected of a professional association and this remains a priority.

**Auditors**

A resolution proposing that Lakin Rose Limited be re-appointed as auditors of the charity will be put to the Annual General Meeting.

**TRUSTEES' RESPONSIBILITIES**

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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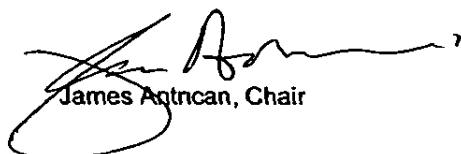
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in England/Wales governing the preparation and dissemination of financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

**PROVISION OF INFORMATION TO AUDITORS**

So far as each of the trustees is aware at the time the report is approved:

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

This report was approved by the trustees on 21 February 2008 and signed on their behalf, by:



James Antrocan, Chair

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**

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We have audited the financial statements of The United Kingdom Council for Psychotherapy for the year ended 30 September 2007 which comprise the Statement of financial activities and Balance sheet, with the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

The responsibilities of the trustees (who also act as company directors of The United Kingdom Council for Psychotherapy for the purposes of company law) for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the trustees' annual report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the trustees' annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE UNITED KINGDOM COUNCIL FOR  
PSYCHOTHERAPY**

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**OPINION**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 30 September 2007 and of its Incoming resources and application of resources, including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees' annual report is consistent with the financial statements

*Lakin Rose Limited*

**LAKIN ROSE LIMITED**

Chartered Accountants  
Registered Auditors

Pioneer House  
Vision Park  
Histon  
Cambridge  
CB24 9NL

22 February 2008

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
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**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

	Note	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Investment income	2	-	31,025	31,025	16,194
Incoming resources from charitable activities	3	102,988	932,916	1,035,904	932,976
<b>TOTAL INCOMING RESOURCES</b>		<b>102,988</b>	<b>963,941</b>	<b>1,066,929</b>	<b>949,170</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities	6,4	7,890	710,972	718,862	896,282
Governance costs	5	-	131,070	131,070	64,199
<b>TOTAL RESOURCES EXPENDED</b>		<b>7,890</b>	<b>842,042</b>	<b>849,932</b>	<b>960,481</b>
<b>NET INCOMING RESOURCES / (RESOURCES EXPENDED) BEFORE REVALUATIONS</b>		<b>95,098</b>	<b>121,899</b>	<b>216,997</b>	<b>(11,311)</b>
Gains and losses on revaluations of investment assets	10	-	475	475	9,202
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>95,098</b>	<b>122,374</b>	<b>217,472</b>	<b>(2,109)</b>
<i>Total funds at 1 October 2006</i>		-	351,729	351,729	353,838
<b>TOTAL FUNDS AT 30 SEPTEMBER 2007</b>		<b>£ 95,098</b>	<b>£ 474,103</b>	<b>£ 569,201</b>	<b>£ 351,729</b>

The notes on pages 15 to 25 form part of these financial statements

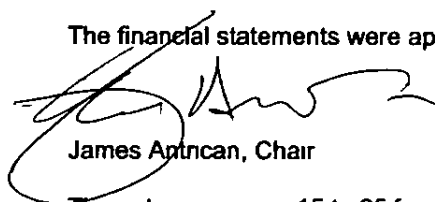
**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2007**

	Note	£	2007	£	£	2006	£
<b>FIXED ASSETS</b>							
Tangible fixed assets	9			78,974			95,392
Investments	10			111,938			107,778
				<u>190,912</u>			<u>203,170</u>
<b>CURRENT ASSETS</b>							
Debtors	11	582,632			293,211		
Cash at bank and in hand		678,261			389,021		
		<u>1,260,893</u>			<u>682,232</u>		
<b>CREDITORS: amounts falling due within one year</b>	12	(874,391)			(521,484)		
<b>NET CURRENT ASSETS</b>				<u>386,502</u>			<u>160,748</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				<u>577,414</u>			<u>363,918</u>
<b>CREDITORS: amounts falling due after more than one year</b>	13			(8,213)			(12,189)
<b>NET ASSETS</b>				<u>£ 569,201</u>			<u>£ 351,729</u>
<b>CHARITY FUNDS</b>							
Restricted funds	14			95,098			-
Unrestricted funds	14			474,103			351,729
				<u>£ 569,201</u>			<u>£ 351,729</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the trustees on 21 February 2008 and signed on their behalf, by



James Antican, Chair

The notes on pages 15 to 25 form part of these financial statements.



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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

**1.2 Company status**

The charity is a company limited by guarantee. The members of the charity are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.4 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

**1.6 Cash flow**

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 Investments**

The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment
- (ii) **Other investments**  
Investments held as fixed assets are shown at market value

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases

Short term leasehold property	-	14.9%	straight line
Fixtures and fittings	-	25%	reducing balance
Office equipment	-	25%	reducing balance
Computer equipment	-	25%	straight line

**1.9 Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

**1.10 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year

**2. INVESTMENT INCOME**

	<b>Restricted Funds 2007 £</b>	<b>Unrestricted Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Dividends receivable	-	3,685	2,649
Interest receivable	-	27,340	13,545
	<b>£ -</b>	<b>£ 31,025</b>	<b>£ 16,194</b>

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	<b>Restricted Funds 2007 £</b>	<b>Unrestricted Funds 2007 £</b>	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Individual registration fees	102,988	746,098	849,086	652,411
Organisational subscriptions	-	93,131	93,131	89,101
Professional conference fees	-	65,986	65,986	156,786
Sales of publications	-	169	169	950
Other income	-	27,532	27,532	33,728
	<b>£ 102,988</b>	<b>£ 932,916</b>	<b>£ 1,035,904</b>	<b>£ 932,976</b>

**4. EXPENDITURE BY CHARITABLE ACTIVITY**

	<b>Restricted Funds 2007 £</b>	<b>Unrestricted Funds 2007 £</b>	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Campaigning and Public Relations	-	53,405	53,405	94,041
Organisational and constitutional change	-	44,748	44,748	115,202
Independent Complaints Organisation	-	128,816	128,816	34,377
Registration, self-regulation, promotion and monitoring standards	-	213,984	213,984	268,346
Events and conferences	-	87,237	87,237	213,294
Registrant services	-	104,801	104,801	71,087
Member services	-	55,765	55,765	84,334
Research	-	17,999	17,999	15,601
Colleges	7,890	4,217	12,107	-
	<b>£ 7,890</b>	<b>£ 710,972</b>	<b>£ 718,862</b>	<b>£ 896,282</b>

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**4. EXPENDITURE BY CHARITABLE ACTIVITY (continued)**

**SUMMARY BY EXPENDITURE TYPE**

	<b>Staff costs 2007 £</b>	<b>Depreciation 2007 £</b>	<b>Other costs 2007 £</b>	<b>Total 2007 £</b>	<b>Total 2006 £</b>
Campaigning and Public Relations	30,102	2,247	21,056	53,405	94,041
Organisational and constitutional change	26,814	983	16,951	44,748	115,202
Independent Complaints Organisation	71,091	5,100	52,625	128,816	34,377
Registration, self-regulation, promotion and monitoring standards	127,129	8,988	77,867	213,984	268,346
Events and conferences	43,267	3,792	40,178	87,237	213,294
Registrant services	34,650	2,949	67,202	104,801	71,087
Member services	-	-	55,765	55,765	84,334
Research	787	140	17,072	17,999	15,601
Colleges	2,468	140	9,499	12,107	-
	<b>£ 336,308</b>	<b>£ 24,339</b>	<b>£ 358,215</b>	<b>£ 718,862</b>	<b>£ 896,282</b>

**5. GOVERNANCE COSTS**

	<b>Restricted Funds 2007 £</b>	<b>Unrestricted Funds 2007 £</b>	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Audit remuneration	-	3,500	3,500	3,500
Accountancy	-	7,027	7,027	11,285
Committee expenses	-	29,347	29,347	20,069
Other expenses	-	32,486	32,486	12,622
Staff costs	-	53,935	53,935	14,966
Depreciation	-	4,775	4,775	1,757
	<b>£ -</b>	<b>£ 131,070</b>	<b>£ 131,070</b>	<b>£ 64,199</b>

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**6. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	Activities undertaken directly 2007 £	Support costs 2007 £	Total 2007 £	Total 2006 £
Campaigning and Public Relations	1,667	51,738	53,405	94,041
Organisational and constitutional change	298	44,450	44,748	115,202
Independent Complaints Organisation	1,235	127,581	128,816	34,377
Registration, self-regulation, promotion and monitoring standards	8,022	205,962	213,984	268,346
Events and conferences	14,978	72,259	87,237	213,294
Registrant services	34,527	70,274	104,801	71,087
Member services	55,765	-	55,765	84,334
Research	704	17,295	17,999	15,601
Colleges	7,933	4,174	12,107	-
<b>Total</b>	<b>£ 125,129</b>	<b>£ 593,733</b>	<b>£ 718,862</b>	<b>£ 896,282</b>

**7. NET INCOMING RESOURCES / (RESOURCES EXPENDED)**

This is stated after charging

	2007 £	2006 £
Depreciation of tangible fixed assets		
- owned by the charity	25,657	30,988
- held under finance leases	3,457	4,729
Audit remuneration	3,500	3,500
Pension costs	12,917	10,344

Trustees received reimbursement of expenses amounting to £18,771 in the current year, (2006 - £19,547)

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**8. STAFF COSTS**

Staff costs were as follows

	2007 £	2006 £
Wages and salaries	343,878	259,003
Social security costs	33,448	27,500
Other pension costs	12,917	10,344
	<u>£ 390,243</u>	<u>£ 296,847</u>

The average monthly number of employees during the year was as follows

	No.	No
Professional and other services	9	7
Administration	2	2
	<u>11</u>	<u>9</u>

The number of higher paid employees was

	2007 No.	2006 No
In the band £60,001 - £70,000	<u>0</u>	<u>1</u>

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**9. TANGIBLE FIXED ASSETS**

	Land and buildings £	Other fixed assets £	Total £
<b>Cost</b>			
At 1 October 2006	21,585	141,328	162,913
Additions	3,277	9,419	12,696
	<u>24,862</u>	<u>150,747</u>	<u>175,609</u>
At 30 September 2007	24,862	150,747	175,609
<b>Depreciation</b>			
At 1 October 2006	4,118	63,403	67,521
Charge for the year	3,697	25,417	29,114
	<u>7,815</u>	<u>88,820</u>	<u>96,635</u>
At 30 September 2007	7,815	88,820	96,635
<b>Net book value</b>			
At 30 September 2007	£ 17,047	£ 61,927	£ 78,974
At 30 September 2006	£ 17,467	£ 77,925	£ 95,392

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2007 £	2006 £
Other fixed assets	£ 10,640	£ 14,186

All tangible fixed assets are held for continuing use in the charity's activities. The usage of these between direct charitable purposes and governance is approximately 90% to 10%

**10. INVESTMENTS**

	Listed securities £	Unlisted securities £	Total £
<b>Market value</b>			
At 1 October 2006	107,777	1	107,778
Additions	3,685	-	3,685
Revaluations	475	-	475
	<u>111,937</u>	<u>1</u>	<u>111,938</u>
At 30 September 2007	£ 111,937	£ 1	£ 111,938
<b>Historical cost</b>			
	<u>£ 67,744</u>	<u>£ 1</u>	<u>£ 67,745</u>

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**10. INVESTMENTS (continued)**

**Subsidiary undertaking**

The following was a subsidiary undertaking of the company

UKCP Media Limited

The aggregate of the share capital and reserves as at 30 September 2007 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows

	Aggregate of share capital and reserves £	Profit/(loss) £
UKCP Media Limited	1	-
	<u>1</u>	<u>-</u>
<b>Investments at market value comprise:</b>		
	2007 £	2006 £
Listed Investments	111,937	107,777
Group	1	1
	<u>111,938</u>	<u>107,778</u>
Total market value	£ 111,938	£ 107,778

All the fixed asset investments are held in the UK

**11. DEBTORS**

	2007 £	2006 £
Trade debtors - fees and subscriptions due	513,017	244,407
Other debtors	2,369	977
Prepayments and accrued income	67,246	47,827
	<u>582,632</u>	<u>293,211</u>
	£ 582,632	£ 293,211



**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**12. CREDITORS.**

**Amounts falling due within one year**

	2007 £	2006 £
Net obligations under finance leases and hire purchase contracts	3,976	3,454
Trade creditors	51,064	32,248
Social security and other taxes	10,255	7,672
Amounts owed to group undertakings	1	1
Accruals and deferred income	809,095	478,109
	<u>£ 874,391</u>	<u>£ 521,484</u>

Included with accruals and deferred income, is deferred income of £736,017, which represents subscription and other income relating to periods subsequent to 30 September 2007. Deferred income brought forward was released during the year amounting to £427,448.

**13. CREDITORS:**

**Amounts falling due after more than one year**

	2007 £	2006 £
Net obligations under finance leases and hire purchase contracts	<u>£ 8,213</u>	<u>£ 12,189</u>

**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

**14. STATEMENT OF FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Gains/ (Losses) £</b>	<b>Carried Forward £</b>
<b>UNRESTRICTED FUNDS</b>					
General Funds	<u>351,729</u>	<u>963,941</u>	<u>(842,042)</u>	<u>475</u>	<u>474,103</u>
<b>RESTRICTED FUNDS</b>					
Colleges Fund	<u>-</u>	<u>102,988</u>	<u>(7,890)</u>	<u>-</u>	<u>95,098</u>
<b>Total of Funds</b>	<b>£ 351,729</b>	<b>£ 1,066,929</b>	<b>£ (849,932)</b>	<b>£ 475</b>	<b>£ 569,201</b>

The Colleges Fund, collected from a registrant levy for the foundation of colleges remains largely unspent, and is being held on deposit. Each potential college was allocated £3,000 to pay for preliminary work towards becoming a college, that, together with the Media Training programme organised by the centre accounts for the expenditure from the restricted fund. No overheads were paid for out of the restricted fund in 2007. Further spending awaits the outcome of the shape decision at the AGM 2008 when it will be clearer what the relationship between UKCP and the colleges will be.

Part of the charity's general funds are held in bank accounts controlled by Sections. At the end of the year the extent of such funds was £51,496 (2006 - £42,491). The income and expenditure of Sections is included within the charity's financial statements, as required by paragraph 79 of the SORP.

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Restricted Funds 2007 £</b>	<b>Unrestricted Funds 2007 £</b>	<b>Total Funds 2007 £</b>	<b>Total Funds 2006 £</b>
Tangible fixed assets	-	78,973	78,973	95,393
Fixed asset investments	-	111,938	111,938	107,778
Current assets	95,098	1,165,795	1,260,893	682,232
Creditors due within one year	-	(874,390)	(874,390)	(521,485)
Creditors due in more than one year	-	(8,213)	(8,213)	(12,189)
	<u>£ 95,098</u>	<u>£ 474,103</u>	<u>£ 569,201</u>	<u>£ 351,729</u>

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**THE UNITED KINGDOM COUNCIL FOR PSYCHOTHERAPY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2007**

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**16. OPERATING LEASE COMMITMENTS**

At 30 September 2007 the charity had annual commitments under non-cancellable operating leases as follows

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date:</b>				
Between 2 and 5 years	-	-	1,263	1,263
After more than 5 years	72,155	71,335	-	-
	<u>72,155</u>	<u>71,335</u>	<u>-</u>	<u>-</u>