

COMPANY REGISTRATION NUMBER: 03598261

**Sherwood Counselling & Psychotherapy Limited**  
**Audited Financial Statements**  
**31 August 2022**

# **Sherwood Counselling & Psychotherapy Limited**

## **Financial Statements**

**Year Ended 31 August 2022**

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# **Sherwood Counselling & Psychotherapy Limited**

## **Officers and Professional Advisers**

### **The Board of Directors**

Mrs A J Fookes  
Mrs A L Ackroyd  
Mrs J Dearden

### **Company Secretary**

Mrs A J Fookes

### **Registered Office**

22 Eldon Business Park  
Eldon Road  
Attenborough  
Beeston  
Nottingham  
NG9 6DZ

### **Auditor**

Mabe Allen LLP  
Chartered Accountants & Statutory Auditors  
50 Osmaston Road  
Derby  
Derbyshire  
DE1 2HU

# **Sherwood Counselling & Psychotherapy Limited**

## **Directors' Report**

**Year Ended 31 August 2022**

The directors present their report and the financial statements of the company for the year ended 31 August 2022.

### **Principal Activities**

The principal activity of the company during the year was the provision and supply of education and vocational training. The company is non-profit making with all funds reinvested in its principal activity.

### **Directors**

The directors who served the company during the year were as follows:

Mrs A J Fookes	
Mrs A L Ackroyd	(Appointed 1 September 2021)
Mrs R E Layzell	(Resigned 1 September 2021)

Mrs J Dearden was appointed as a Director after 31 August 2022 but prior to the date of this report.

### **Directors' Responsibilities Statement**

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

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

In preparing these financial statements, the directors are required to:

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

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

# Sherwood Counselling & Psychotherapy Limited

## Directors' Report *(continued)*

Year Ended 31 August 2022

### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 7<sup>th</sup> February 2023 and signed on behalf of the board by:



Mrs A L Ackroyd  
Director

# **Sherwood Counselling & Psychotherapy Limited**

## **Independent Auditor's Report to the Members of Sherwood Counselling & Psychotherapy Limited**

**Year Ended 31 August 2022**

### **Opinion**

We have audited the financial statements of Sherwood Counselling & Psychotherapy Limited (the 'company') for the year ended 31 August 2022 which comprise the Statement of Income and Retained Earnings, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 company's affairs as at 31 August 2022 and of its income and expenditure, gains and losses, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and of the requirements of the Office for Students; and
- funds from whatever source administered by the company for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation; and
- the requirement of the Office for Student's accounts direction have been met.

### **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 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.

# **Sherwood Counselling & Psychotherapy Limited**

## **Independent Auditor's Report to the Members of Sherwood Counselling & Psychotherapy Limited (continued)**

**Year Ended 31 August 2022**

### **Conclusions Relating to Going Concern**

In auditing the financial statements, we have concluded that the directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

### **Other Information**

The directors are responsible for the other information. The other information comprises the information in the Directors' Report but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

# **Sherwood Counselling & Psychotherapy Limited**

## **Independent Auditor's Report to the Members of Sherwood Counselling & Psychotherapy Limited (continued)**

**Year Ended 31 August 2022**

### **Matters on Which We are Required to Report by Exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 and Office for Students 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 director's remuneration specified by law are not made; or
- the reported grant and fee income as disclosed in the note to the accounts, has been materially misstated; 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' exemption from the requirement to prepare a Strategic Report or in preparing the Director's Report.

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



# **Sherwood Counselling & Psychotherapy Limited**

## **Independent Auditor's Report to the Members of Sherwood Counselling & Psychotherapy Limited (continued)**

**Year Ended 31 August 2022**

### **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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### **Extent to which the audit was considered capable of detecting fraud**

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

- The nature of the industry and sector, control environment and business performance including targets for income and net profit;
- Results of our enquiries of management and the directors about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance, including any related to the General Data Protection Regulations or Bribery Act 2010.
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- The internal controls to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team and including relevant internal tax specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the ability of management to manipulate revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company

## **Sherwood Counselling & Psychotherapy Limited**

### **Independent Auditor's Report to the Members of Sherwood Counselling & Psychotherapy Limited (continued)**

#### **Year Ended 31 August 2022**

operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, the Financial Reporting Standard 102 and the Accounts Direction provided by the Office for Students, the independent regulator of higher education in England.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include The General Data Protection Regulations, the Bribery Act 2010 and Health and Safety policies relating to covid-19.

#### **Audit Response to Risks Identified**

Our procedures to respond to risks identified above include the following:

- Reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and directors concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes to meetings of those charged with governance and reviewing relevant correspondence from regulatory bodies.
- in addressing the fraud risk in revenue recognition we have tested a sample of revenue recorded in the year through agreement to the relevant sales terms and conditions and bank statements. Additionally, at an analytical review level, we developed an expectation of the revenue with reference to our discussions on the recognition and volatility of revenue in the year ; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rational of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

## **Sherwood Counselling & Psychotherapy Limited**

### **Independent Auditor's Report to the Members of Sherwood Counselling & Psychotherapy Limited *(continued)***

**Year Ended 31 August 2022**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors

#### **Use of Our Report**

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Slack (Senior Statutory Auditor)

For and on behalf of  
Mabe Allen LLP  
Chartered Accountants & statutory auditor  
50 Osmaston Road  
Derby  
Derbyshire  
DE1 2HU

# Sherwood Counselling & Psychotherapy Limited

## Statement of Income and Retained Earnings

Year Ended 31 August 2022

	Note	2022 £	2021 £
<b>Turnover</b>	<b>5</b>	<b>1,170,997</b>	1,178,421
Cost of sales		<u>560,091</u>	<u>581,066</u>
<b>Gross Profit</b>		<b>610,906</b>	597,355
Administrative expenses		<u>710,158</u>	<u>634,170</u>
<b>Operating Loss</b>	<b>6</b>	<b>(99,252)</b>	(36,815)
Other interest receivable and similar income	<b>9</b>	<b>147</b>	43
Interest payable and similar expenses	<b>10</b>	<b>681</b>	–
<b>Loss Before Taxation</b>		<b>(99,786)</b>	(36,772)
Tax on loss	<b>11</b>	<b>(18,953)</b>	(7,215)
<b>Loss for the Financial Year and Total Comprehensive Income</b>		<b>(80,833)</b>	(29,557)
<b>Retained Earnings at the Start of the Year</b>		<b>281,377</b>	310,934
<b>Retained Earnings at the End of the Year</b>		<b>200,544</b>	281,377

All the activities of the company are from continuing operations.

The notes on pages 13 to 24 form part of these financial statements.

# Sherwood Counselling & Psychotherapy Limited

## Statement of Financial Position

31 August 2022

	Note	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible assets	12	22,839	19,025
<b>Current Assets</b>			
Debtors	13	53,281	52,917
Cash at bank and in hand		327,953	547,064
		<u>381,234</u>	<u>599,981</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>171,481</u>	<u>293,479</u>
<b>Net Current Assets</b>		<u>209,753</u>	<u>306,502</u>
<b>Total Assets Less Current Liabilities</b>		<u>232,592</u>	<u>325,527</u>
<b>Creditors: amounts falling due after more than one year</b>	15	32,046	43,267
<b>Provisions</b>			
Taxation including deferred tax	16	–	881
<b>Net Assets</b>		<u>200,546</u>	<u>281,379</u>
<b>Capital and Reserves</b>			
Called up share capital	19	2	2
Profit and loss account		200,544	281,377
<b>Shareholders Funds</b>		<u>200,546</u>	<u>281,379</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A- small entities.

These financial statements were approved by the board of directors and authorised for issue on 7 February 2023, and are signed on behalf of the board by:



Mrs A L Ackroyd  
Director

Mrs J Dearden  
Director



Company registration number: 03598261

The notes on pages 13 to 24 form part of these financial statements.

# Sherwood Counselling & Psychotherapy Limited

## Statement of Cash Flows

Year Ended 31 August 2022

	2022	2021
	£	£
<b>Cash Flows from Operating Activities</b>		
Loss for the financial year	(80,833)	(29,557)
<i>Adjustments for:</i>		
Depreciation of tangible assets	5,606	4,804
Other interest receivable and similar income	(147)	(43)
Interest payable and similar expenses	681	–
Tax on loss	(18,953)	(7,215)
Provision for deferred tax asset	19,063	–
<i>Changes in:</i>		
Trade and other debtors	(8,374)	641
Trade and other creditors	(123,657)	31,410
Cash generated from operations	<u>(206,614)</u>	<u>40</u>
Interest paid	(681)	–
Interest received	147	43
Tax received	7,491	–
Net cash (used in)/from operating activities	<u>(199,657)</u>	<u>83</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of tangible assets	<u>(9,419)</u>	<u>(13,120)</u>
Net cash used in investing activities	<u>(9,419)</u>	<u>(13,120)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from borrowings	–	50,000
Repayments of borrowings	(7,306)	–
Repayments of loans from group undertakings	(2,729)	(2,395)
Net cash (used in)/from financing activities	<u>(10,035)</u>	<u>47,605</u>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(219,111)</b>	<b>34,568</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b><u>547,064</u></b>	<b><u>512,496</u></b>
<b>Cash and Cash Equivalents at End of Year</b>	<b><u>327,953</u></b>	<b><u>547,064</u></b>

The notes on pages 13 to 24 form part of these financial statements.

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

Year Ended 31 August 2022

### 1. General Information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 22 Eldon Business Park, Eldon Road, Attenborough, Beeston, Nottingham, NG9 6DZ.

The trading address is Thiskney House, 2 St James Terrace, Nottingham, NG1 6FW.

### 2. Statement of Compliance

These financial statements have been prepared in accordance with FRS 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

### 3. Statement of Corporate Governance and Internal Controls

The Sherwood Psychotherapy Training Institute (SPTI Ltd.) through its subsidiary Sherwood Counselling & Psychotherapy Ltd. (SC&P Ltd.) is a not-for-profit educational organisation specialising in training counsellors and psychotherapists. We offer professional and academic qualifications, ranging from introductory to masters' level. We work in partnership with Staffordshire University. Our MSc Integrative Psychotherapy, and Person Centred & Experiential Psychotherapy Programmes are accredited by the United Kingdom Council for Psychotherapy (UKCP) and the BSc (Hons) Counselling & Psychotherapy is accredited by the British Association for Counselling and Psychotherapy (BACP). Our Introductory Level 2 Award in Counselling Concepts programme is accredited by The Skills and Education Group.

Our stated mission is to be at the forefront of the counselling and psychotherapy profession in providing a wide range of courses which foster the academic, personal and professional development of our trainees. Our training has a reputation for excellence in both academic rigour and clinical competence and we aim to equip our trainees to become ethical practitioners and life-long learners who will not only continue to be at the forefront of the development of knowledge in the counselling and psychotherapy profession but also have a positive impact on the well-being of society. We have a commitment to high standards in interpersonal relationships, characterised by mutual respect, collaboration, appropriate boundary and the celebration of difference. The organisation has a strong reputation in the field, earned through the delivery of psychotherapy and counselling training for over 35 years. Student recruitment remains consistently high with most courses recruiting to capacity and we currently have 300 students across all programmes.

#### Corporate Governance and Internal Controls

SPTI Ltd is a company limited by shares, the Directors are Alison Jane Fookes Amanda Louise Ackroyd and Julieann Dearden, shareholders are Alison Fookes and Ruth Layzell. SC&P Ltd is the wholly owned subsidiary of SPTI Ltd and the company through which all financial transactions of the business occur.

The Directors/ Leadership Team has oversight and responsibility for the work and operations of the organisation. The Directors Team comprises directors Alison Fookes, Amanda Ackroyd and Julie Dearden as Director of Training, Tracey Jackson Quality Assurance and Data

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 August 2022

Manager and one member of the academic Programme Leader team. As such the Directors Team comprises members who hold extensive experience in the management and delivery of psychotherapy training, a specialist in Higher Education and quality assurance and a senior businessperson responsible for the business operations of the organisation. The Directors Team meet on a termly basis to oversee and review the strategic direction and action plan of the organisation and to identify, evaluate and manage risks to the business. The Directors and Leadership Team remit falls within the following key areas of responsibility as indicated in the terms of reference.

- Strategic development" Organisational structure
- " Finance and budget approval
- " Training and academic delivery
- " Risk management
- " Regulatory and legal compliance
- " Student recruitment and progression
- " Graduate membership
- " Data and performance

The Directors Team is supported by the Leadership Team comprising operational and academic/training managers: Amanda Ackroyd Director of Business Operations, Alison Fookes Company Director, Julie Dearden Director of Training, Tracey Jackson Quality Assurance and Data Manager, and Programme Leaders Addison Raven, Deborah Blagden, Deborah Mendham and Emily Bellaby Pearson. The Leadership Team meet on a monthly basis. Each committee has its own terms of reference. As a small company all Leadership Team members all work closely on a regular basis ensuring ongoing planning, review, and oversight of operations.

Our accounts are audited annually by Mabe Allen LLP who are registered to carry out audit work in England and Wales by the Institute of Chartered Accountants in England and Wales. Mabe Allen LLP include a report of their findings in the annual report and accounts.

Directors meet twice yearly with the accountant and with the auditors to ensure the financial stability and viability of the business and to discuss the financial implications of business decisions and planning on financial forecasts. Financial reserves are maintained to meet the requirements of the Student Refund and Compensation Policy and to ensure future financial viability and success of the business. We have one bounce back loan of £50,000 taken during Covid pandemic to protect cashflow during the increased financial demands of the pandemic. This loan will be paid in full by October 2025.

Monitoring and oversight are undertaken on an ongoing and annual basis through our professional, regulatory and accrediting bodies:

- Continuous monitoring and five yearly review of validation arrangements in conjunction with Staffordshire University our degree awarding body,
- annual accreditation processes with BACP,
- annual moderation and Quinquennial review with UKCP
- External examiners report annually on the quality of students work.
- Oversight of Office for Students Regulation is the responsibility of the Directors team with includes business operations, quality assurance and training managers and financial reporting through the Annual Financial Review process.



# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 August 2022

We are therefore satisfied that the level of scrutiny of training delivery and business operations, both internal and external, is robust and ensures maintenance of teaching excellence, organisational excellence, financial viability and a robust and well-planned approach to business development and risk management.

#### **Internal controls**

The above governance arrangements and internal controls are designed to manage rather than eliminate risk and to safeguard the business, funds and assets for which we are responsible and hence the interests of our students and staff. Our internal control system is based upon the above ongoing processes to identify evaluate and manage risks. In addition to termly and monthly Leadership and Directors meetings to review strategy, objectives and plan actions, a risk management report is completed on an annual basis by the directors and risk assessment and management is embedded within business changes or development. Key risks to business continuity evaluated in November 2022 included:

#### **Current buildings:**

Existing buildings are no longer large enough to offer the necessary training space or allow for future course development, one also does not offer the desired level of disabled access for the future. A move to relocate to a second larger premises has been planned for 2023. This will give much improved accessibility to our students and staff, to offer additional training rooms and provide premises where students, admin and teaching staff are all located, providing improved services to students. It will represent a significant improvement to the facilities offered going forwards. Contingency plans have been incorporated in the planning to allow for unforeseen delays to works. This move will secure modern accessible premises and allow for course development and improved income streams going forwards.

#### **Increase in operational running costs:**

Our operational running costs are increasing due to rising energy costs, inflation and potential future increase in rent. Plans include ongoing review of costs vs forecasts, renegotiation of building lease and energy contracts, increased student intake to enhance income whilst maintaining teaching excellence.

#### **Reliance on existing information systems:**

The SPTI bespoke databases have been in continuous process of development and have served the company well for many years. Whilst we are confident that these systems provide sufficient financial and administrative information for meaningful management control and decision making, the demands for data collection and reporting are increasing. Plans to upgrade the financial and management reporting systems are in progress to future proof our IT systems and processes.

#### **Key responsibility and knowledge held by individuals:**

During the last 6 years the business operations and admin teams have been significantly enhanced to ensure that teams are robust and hold the necessary expertise to meet increased demands or allow for unplanned absence. All key areas of staffing are currently under review to support business continuity.

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 August 2022

#### **Failure to recruit students:**

Recruitment to the degree and masters' courses has remained stable over recent years with high demand for MSc Integrative in 2022/23. Recruitment to the Introductory courses was impacted by Covid but has returned to previous stable numbers. There are no current causes of concern. A planned additional cohort of students has been achieved in 2022-23 and is forecast for 2023/24 in line with financial and business planning. This risk is considered to be low.

#### **Accreditation and validation of courses:**

The loss of accreditation of our courses by our professional, statutory and regulatory bodies would have a significant impact to the organisation. Ensuring compliance, quality assurance standards and positive working relationships with our PSRBs is essential and is maintained through a robust leadership structure and experienced team members, stable tutor teams and a robust admin and support structure which has been recently reviewed and enhanced. This risk is considered to be very low.

#### **Covid 19:**

The global Covid-19 pandemic has created challenges for all industries including our organisation. Covid restrictions included the necessity to move to online tuition from primarily face to face working. However, SPTI quickly adapted and was able to maintain high learning standards and outcomes for our students. Staffing was enhanced to enable quality online training and temporary new premises were rented to allow for social distancing requirements. This led to significant additional costs to the business. These were supported by our financial reserves which maintained financial viability of the organisation in a temporary loss-making situation. The future move to new premises with larger training rooms, enhanced student recruitment and future course development all contribute to our financial stability and a successful return to face-to-face training. We are also working with our PSRBs and placement providers to incorporate elements of online training to meet the new realities for future psychotherapy and counselling in a post pandemic world.

#### **Directors' Financial Responsibilities**

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

In preparing these financial statements, the directors are required to:

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

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 August 2022

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

#### 4. Accounting Policies

##### **Basis of Preparation**

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity. The financial statements are rounded to the nearest GBP.

##### **Going Concern**

The company made a loss for the year of £80,833 (2021: loss £29,557) but given net current assets of £209,753 (2021: £306,502) the directors have prepared the financial statements on the going concern basis which assumes that the company will continue to trade for the foreseeable future. The validity of the assumption is based on the directors' assessment of future cash forecasts and revenue projections

##### **Judgements and Key Sources of Estimation Uncertainty**

The preparation of the financial statement requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:-

##### **Coronavirus**

The impact of the coronavirus pandemic will continue to cause disruption to and create uncertainty around the business, not least with regard to its working capital and the ability of its customers to pay now and into the future and whether it needs to impair its assets. Any disruption or uncertainty could have an adverse effect on the business, financial results and operations.

The full impact of the coronavirus is still to be determined and the directors continue to assess and monitor the potential risks and impacts on Sherwood Counselling & Psychotherapy Limited's customers and major stakeholders, whilst taking appropriate mitigation measure to address challenges including logistics, staff and supply.

##### **Revenue Recognition**

Turnover represents amounts due in respect of services provided during the year.

Revenue from the rendering of services is measured by reference to the stage of completion of

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 August 2022

the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

#### **Income Tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

#### **Operating Leases**

Rentals paid under operating leases are recognised as an expense over the lease term on a straight-line basis.

#### **Tangible Assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Property Improvements	-	15% reducing balance
Fixtures and Fittings	-	25% straight line

#### **Impairment of Fixed Assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements (continued)

### Year Ended 31 August 2022

the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### Financial Instruments

##### Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

##### Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit or loss account.

#### Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that the outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

#### Defined Contribution Plans

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The assets of the scheme are held separately from those of the company in an independently administered fund.

## 5. Turnover

Turnover arises from:

	2022	2021
	£	£
Rendering of services	<u>1,170,997</u>	<u>1,178,421</u>

Turnover includes fees of £892,000(2021:£880,000)from higher education for taught awards and £247,000 (2021:£268,000)from non-credit bearing courses.

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements (continued)

Year Ended 31 August 2022

### 6. Operating Profit

Operating profit or loss is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	5,606	4,804
Impairment of trade debtors	782	2,826
Operating lease rentals	90,044	78,732
Fees payable for the audit of the financial statements	5,040	4,400

### 7. Staff Costs

The average number of persons employed by the company during the year amounted to 17 (2021: 18).

The aggregate payroll costs incurred during the year, relating to the above, were:

	2022	2021
	£	£
Wages and salaries	408,022	401,489
Social security costs	31,016	30,571
Other pension costs	16,078	16,173

### 8. Directors' Remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	96,683	45,874

Directors' remuneration includes a head of provider's salary of £43,342(2021: £38,727).

The head of Providers total remuneration is 2.2 (2021: 2) times median total staff remuneration calculated on a full time equivalent basis.

### 9. Other Interest Receivable and Similar Income

	2022	2021
	£	£
Interest on cash and cash equivalents	147	43

### 10. Interest Payable and Similar Expenses

	2022	2021
	£	£
Interest on banks loans and overdrafts	681	—

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

Year Ended 31 August 2022

### 11. Tax on Loss

#### Major components of tax income

	2022 £	2021 £
<b>Current tax:</b>		
UK current tax income	–	(7,595)
Adjustments in respect of prior periods	<b>110</b>	–
Total current tax	<b>110</b>	<b>(7,595)</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<b>(19,063)</b>	380
<b>Tax on loss</b>	<b>(18,953)</b>	<b>(7,215)</b>

### 12. Tangible Assets

	Land and buildings £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 September 2021	69,636	91,001	<b>160,637</b>
Additions	–	9,419	<b>9,419</b>
Disposals	–	(7,304)	<b>(7,304)</b>
<b>At 31 August 2022</b>	<b>69,636</b>	<b>93,116</b>	<b>162,752</b>
<b>Depreciation</b>			
At 1 September 2021	58,444	83,167	<b>141,611</b>
Charge for the year	1,679	3,927	<b>5,606</b>
Disposals	–	(7,304)	<b>(7,304)</b>
<b>At 31 August 2022</b>	<b>60,123</b>	<b>79,790</b>	<b>139,913</b>
<b>Carrying amount</b>			
<b>At 31 August 2022</b>	<b>9,513</b>	<b>13,326</b>	<b>22,839</b>
At 31 August 2021	11,192	7,834	19,026

### 13. Debtors

	2022 £	2021 £
Trade debtors	<b>15,337</b>	26,311
Amounts owed by group undertakings	<b>474</b>	–
Deferred tax asset	<b>18,182</b>	–
Prepayments and accrued income	<b>18,676</b>	18,399
Other debtors	<b>612</b>	8,207
	<b>53,281</b>	<b>52,917</b>

# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements *(continued)*

Year Ended 31 August 2022

### 14. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	10,648	6,733
Trade creditors	25,122	145,152
Amounts owed to group undertakings	–	2,256
Accruals and deferred income	125,208	126,102
Social security and other taxes	8,605	9,449
Other creditors	1,898	3,787
	<b>171,481</b>	<b>293,479</b>

### 15. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	<b>32,046</b>	<b>43,267</b>

### 16. Provisions

	Deferred tax (note 17)
	£
At 1 September 2021	881
Additions	(881)
<b>At 31 August 2022</b>	<b>–</b>

### 17. Deferred Tax

The deferred tax included in the statement of financial position is as follows:

	2022	2021
	£	£
Included in debtors (note 13)	18,182	–
Included in provisions (note 16)	–	(881)
	<b>18,182</b>	<b>(881)</b>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Accelerated capital allowances	2,034	881
Unused tax losses	(20,216)	–
	<b>(18,182)</b>	<b>881</b>



# Sherwood Counselling & Psychotherapy Limited

## Notes to the Financial Statements (continued)

Year Ended 31 August 2022

### 18. Employee Benefits

#### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £16,078 (2021: £16,173).

### 19. Called Up Share Capital

#### Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 20. Cash and Cash Equivalents

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 August 2022 £327,953 (at 1 September 2021 £547,064).

Year ended 31 August 2021 £547,064 (at 1 September 2019 £512,496).

### 21. Analysis of Changes in Net Debt

	At 1 Sep 2021	Cash flows	At 31 Aug 2022
	£	£	£
Cash at bank and in hand	547,064	(219,111)	<b>327,953</b>
Debt due within one year	(8,989)	(1,659)	<b>(10,648)</b>
Debt due after one year	(43,267)	11,221	<b>(32,046)</b>
	<u>494,808</u>	<u>(209,549)</u>	<u><b>285,259</b></u>

### 22. Other Financial Commitments

At the year end the company has financial commitments amounting to £74,676 (2021: £161,520).

### 23. Related Party Transactions

A management charge of £3,000 (2021 £3,000) was paid during the year to The Sherwood Psychotherapy Training Institute Limited with £474 (2021 £2,256 owed to) owed by The Sherwood Psychotherapy Training Institute Limited.

The company is controlled by its parent company Sherwood Psychotherapy Training Institute Limited, which is controlled by its principal shareholder Mrs A J Fookes.

The company rents its business premises from a director of the company, rent of £74,676 (2021 £74,676) was paid during the year.

# **Sherwood Counselling & Psychotherapy Limited**

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2022

## **24. Controlling Party**

The ultimate parent company is The Sherwood Psychotherapy Training Institute Limited ,a company incorporated in England.