

COMPANY REGISTRATION NUMBER: 03598261

Sherwood Counselling & Psychotherapy Limited

Financial Statements

31 August 2023

Sherwood Counselling & Psychotherapy Limited

Financial Statements

Year Ended 31 August 2023

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Sherwood Counselling & Psychotherapy Limited

Officers and Professional Advisers

The Board of Directors

Mrs J Dearden
Mrs A J Fookes
R Langford-Bellaby

Company Secretary

Mrs A J Fookes

Registered Office

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

Auditor

Rogers Spencer
Chartered Accountants & Statutory Auditor
Newstead House
Pelham Road
Nottingham
NG5 1AP

Sherwood Counselling & Psychotherapy Limited

Directors' Report

Year Ended 31 August 2023

The directors present their report and the financial statements of the company for the year ended 31 August 2023.

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 J Dearden	(Appointed 30 January 2023)
R Langford-Bellaby	(Appointed 14 June 2023)
Mrs A L Ackroyd	(Resigned 24 May 2023)

R Langford-Bellaby was appointed on 14 June 2023 as an alternate Director.

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 2023

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 3 January 2024 and signed on behalf of the board by:



Mrs A J Fookes
Director

Sherwood Counselling & Psychotherapy Limited

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

Year Ended 31 August 2023

Opinion

We have audited the financial statements of Sherwood Counselling & Psychotherapy Limited (the 'company') for the year ended 31 August 2023 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 2023 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 2023

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 2023

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 2023

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 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 operates in, focusing on provisions of those laws and regulations that had a direct effect on the

Sherwood Counselling & Psychotherapy Limited

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

Year Ended 31 August 2023

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.

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 2023

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. 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.



Melvin Bailey (Senior Statutory Auditor)

For and on behalf of
Rogers Spencer
Chartered Accountants & statutory auditor
Newstead House
Pelham Road
Nottingham
NG5 1AP

11 January 2024

Sherwood Counselling & Psychotherapy Limited

Statement of Income and Retained Earnings

Year Ended 31 August 2023

	Note	2023 £	2022 £
Turnover	5	1,370,319	1,170,997
Cost of sales		<u>518,736</u>	<u>560,091</u>
Gross Profit		851,583	610,906
Administrative expenses		<u>838,655</u>	<u>710,158</u>
Operating Profit/(Loss)	6	12,928	(99,252)
Other interest receivable and similar income	9	2,193	147
Interest payable and similar expenses	10	<u>1,201</u>	<u>681</u>
Profit/(Loss) Before Taxation		13,920	(99,786)
Tax on profit/(loss)	11	<u>3,895</u>	<u>(18,953)</u>
Profit/(Loss) for the Financial Year and Total Comprehensive Income		<u>10,025</u>	<u>(80,833)</u>
Retained Earnings at the Start of the Year		<u>200,544</u>	<u>281,377</u>
Retained Earnings at the End of the Year		<u>210,569</u>	<u>200,544</u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 25 form part of these financial statements.

Sherwood Counselling & Psychotherapy Limited


Statement of Financial Position

31 August 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets	12	95,372	22,839
Current Assets			
Debtors	13	88,783	53,281
Cash at bank and in hand		<u>325,632</u>	<u>327,953</u>
		414,415	381,234
Creditors: amounts falling due within one year	14	<u>236,820</u>	<u>171,481</u>
Net Current Assets		<u>177,595</u>	<u>209,753</u>
Total Assets Less Current Liabilities		<u>272,967</u>	<u>232,592</u>
Creditors: amounts falling due after more than one year	15	<u>62,396</u>	<u>32,046</u>
Net Assets		<u>210,571</u>	<u>200,546</u>
Capital and Reserves			
Called up share capital	18	2	2
Profit and loss account		<u>210,569</u>	<u>200,544</u>
Shareholders Funds		<u>210,571</u>	<u>200,546</u>

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

These financial statements were approved by the board of directors and authorised for issue on 3 January 2024, and are signed on behalf of the board by:



Mrs J Dearden
Director



Mrs A J Fookes
Director

Company registration number: 03598261

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.

The notes on pages 13 to 25 form part of these financial statements.

Sherwood Counselling & Psychotherapy Limited

Statement of Cash Flows

Year Ended 31 August 2023

	2023	2022
	£	£
Cash Flows from Operating Activities		
Profit/(loss) for the financial year	10,025	(80,833)
<i>Adjustments for:</i>		
Depreciation of tangible assets	10,612	5,606
Other interest receivable and similar income	(2,193)	(147)
Interest payable and similar expenses	1,201	681
Loss on disposal of tangible assets	5,523	–
Tax on profit/(loss)	3,895	(18,953)
Provision for deferred tax asset	–	19,063
<i>Changes in:</i>		
Trade and other debtors	(39,397)	(8,374)
Trade and other creditors	55,339	(123,657)
Cash generated from operations	<u>45,005</u>	<u>(206,614)</u>
Interest paid	(1,201)	(681)
Interest received	2,193	147
Tax received	–	7,491
Net cash from/(used in) operating activities	<u>45,997</u>	<u>(199,657)</u>
Cash Flows from Investing Activities		
Purchase of tangible assets	(88,668)	(9,419)
Net cash used in investing activities	<u>(88,668)</u>	<u>(9,419)</u>
Cash Flows from Financing Activities		
Proceeds from borrowings	50,000	–
Repayments of borrowings	(9,650)	(7,306)
Repayments of loans from group undertakings	–	(2,729)
Net cash from/(used in) financing activities	<u>40,350</u>	<u>(10,035)</u>
Net Decrease in Cash and Cash Equivalents	(2,321)	(219,111)
Cash and Cash Equivalents at Beginning of Year	327,953	547,064
Cash and Cash Equivalents at End of Year	<u>325,632</u>	<u>327,953</u>

The notes on pages 13 to 25 form part of these financial statements.

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements

Year Ended 31 August 2023

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 2 Castle Quay, Castle Boulevard, Nottingham, NG7 1FW.

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.

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements (*continued*)

Year Ended 31 August 2023

3. Statement of Corporate Governance and Internal Controls

The Sherwood Psychotherapy Training Institute (SPIT 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 36 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, Julieann Dearden and alternate Director Rosemary Langford-Bellaby, 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 both directors Alison Fookes, Julie Dearden as Head of Training, Tracey Jackson Quality Assurance and Data Manager and one member of the academic Programme Leader team and Will Graham as Business Operations Manager. 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 business person 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

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

- 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: Alison Fookes Company Director, Julie Dearden Director and Head of Training, Tracey Jackson Quality Assurance and Data Manager, Will Graham Operations Manager and Programme Leaders Addison Raven, Deborah Blagden and Deborah Mendham. The Leadership Team meet monthly 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 Rogers Spencer who are registered to carry out audit work in England and Wales by the Institute of Chartered Accountants in England and Wales. Rogers-Spencer include a report of their findings in the annual report and accounts.

Directors meet twice yearly with the accountant 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. We have a bank loan of £50,000 to offset the outlay and expenditure of the relocation from Thiskney House to new premises at 2 Castle Quay. This loan will be paid in full by August 2028.

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.

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.

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements (*continued*)

Year Ended 31 August 2023

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. The move was completed in April 2023. Substantial work was undertaken to create a modern inclusive environment for both students and staff alike. Compliance with Disability legislation and Health & Safety regulations are now in place.

Options for new premises are currently being investigated to enable further growth and development of programmes.

Operational running costs:

Raising energy costs, inflation and potential 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. Greater tighter control of expenditure is now in place with the Business Op Manager having oversight of all expenditure. Relinquishing 22 Eldon Road and 2 St James Place has reduced rental expenditure.

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:

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

During the last 7 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.

Risk of reduced student recruitment:

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 teaching teams and a robust admin and support structure which has been recently reviewed and enhanced. This risk is considered to be very low.

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.

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

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements (*continued*)

Year Ended 31 August 2023

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.

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.

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 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.

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

4. Accounting Policies *(continued)*

Income Tax *(continued)*

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 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.

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements (continued)

Year Ended 31 August 2023

4. Accounting Policies (continued)

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:

	2023	2022
	£	£
Rendering of services	<u>1,370,319</u>	<u>1,170,997</u>

Turnover includes fees of £969,000(2022:£892,000)from higher education for taught awards and £370,000(2022:£247,000)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 2023

6. Operating Profit

Operating profit or loss is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	10,612	5,606
Loss on disposal of tangible assets	5,523	–
Impairment of trade debtors	–	782
Operating lease rentals	81,882	90,044
Fees payable for the audit of the financial statements	<u>9,000</u>	<u>5,040</u>

7. Staff Costs

The average number of persons employed by the company during the year amounted to 20 (2022: 17).

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

	2023	2022
	£	£
Wages and salaries	515,916	408,022
Social security costs	39,691	31,016
Other pension costs	19,573	16,078
	<u>575,180</u>	<u>455,116</u>

8. Directors' Remuneration

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

	2023	2022
	£	£
Remuneration	<u>113,248</u>	<u>96,683</u>

Directors' remuneration includes a head of provider's salary of £41,695(2022: £43,342).

The head of Providers total remuneration is 2.2 (2022: 2.2) times median total staff remuneration calculated on a full time equivalent basis.

9. Other Interest Receivable and Similar Income

	2023	2022
	£	£
Interest on cash and cash equivalents	<u>2,193</u>	<u>147</u>

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

10. Interest Payable and Similar Expenses

	2023	2022
	£	£
Interest on banks loans and overdrafts	<u>1,201</u>	<u>681</u>

11. Tax on Profit/(Loss)

Major components of tax expense/(income)

	2023	2022
	£	£
Current tax:		
Adjustments in respect of prior periods	–	110
Deferred tax:		
Origination and reversal of timing differences	<u>3,895</u>	<u>(19,063)</u>
Tax on profit/(loss)	<u><u>3,895</u></u>	<u><u>(18,953)</u></u>

12. Tangible Assets

	Land and buildings	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 September 2022	69,636	93,116	162,752
Additions	86,548	2,120	88,668
Disposals	<u>(7,644)</u>	<u>–</u>	<u>(7,644)</u>
At 31 August 2023	<u>148,540</u>	<u>95,236</u>	<u>243,776</u>
Depreciation			
At 1 September 2022	60,123	79,790	139,913
Charge for the year	5,754	4,858	10,612
Disposals	<u>(2,121)</u>	<u>–</u>	<u>(2,121)</u>
At 31 August 2023	<u>63,756</u>	<u>84,648</u>	<u>148,404</u>
Carrying amount			
At 31 August 2023	<u>84,784</u>	<u>10,588</u>	<u>95,372</u>
At 31 August 2022	<u>9,513</u>	<u>13,326</u>	<u>22,839</u>

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

13. Debtors

	2023	2022
	£	£
Trade debtors	16,702	15,337
Amounts owed by group undertakings	3,234	474
Deferred tax asset	14,287	18,182
Prepayments and accrued income	53,948	18,676
Other debtors	612	612
	<u>88,783</u>	<u>53,281</u>

14. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	20,648	10,648
Trade creditors	51,573	25,122
Accruals and deferred income	154,018	125,208
Social security and other taxes	9,835	8,605
Other creditors	746	1,898
	<u>236,820</u>	<u>171,481</u>

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

	2023	2022
	£	£
Bank loans and overdrafts	<u>62,396</u>	<u>32,046</u>

16. Deferred Tax

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

	2023	2022
	£	£
Included in debtors (note 13)	<u>14,287</u>	<u>18,182</u>

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

	2023	2022
	£	£
Accelerated capital allowances	1,268	2,034
Unused tax losses	<u>(15,555)</u>	<u>(20,216)</u>
	<u>(14,287)</u>	<u>(18,182)</u>

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

17. Employee Benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £19,573 (2022: £16,078).

18. Called Up Share Capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

19. 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 2023 £325,632 (at 1 September 2022 £327,953).

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

20. Analysis of Changes in Net Debt

	At	Cash flows	At
	1 Sep 2022		31 Aug 2023
	£	£	£
Cash at bank and in hand	327,953	(2,321)	325,632
Debt due within one year	(10,648)	(10,000)	(20,648)
Debt due after one year	(32,046)	(30,350)	(62,396)
	<u>285,259</u>	<u>(42,671)</u>	<u>242,588</u>

21. Other Financial Commitments

At the year end the company has financial commitments under operating leases amounting to £427,333 (2022: £74,676).

Sherwood Counselling & Psychotherapy Limited

Notes to the Financial Statements *(continued)*

Year Ended 31 August 2023

22. Related Party Transactions

A management charge of £3,000 (2022 £3,000) was paid during the year to The Sherwood Psychotherapy Training Institute Limited with £3,324 (2022-£474) 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.

A director received fees of £19,060 for training related services provided to the company during the year.

The company rents its business premises from a director of the company, rent of £62,189 (2022-£74,676) was paid during the year.

23. Controlling Party

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

Sherwood Counselling & Psychotherapy Limited

Management Information

Year Ended 31 August 2023

The Following Pages Do Not Form Part of the Financial Statements.

Sherwood Counselling & Psychotherapy Limited

Detailed Income Statement

Year Ended 31 August 2023

	2023	2022
	£	£
Turnover	1,370,319	1,170,997
Cost of Sales		
Professional and membership fees	509,167	549,417
Course, conference and venue fees	9,569	10,674
	<u>518,736</u>	<u>560,091</u>
Gross Profit	851,583	610,906
Overheads		
Administrative expenses	838,655	710,158
Operating Profit/(Loss)	12,928	(99,252)
Other interest receivable and similar income	2,193	147
Interest payable and similar expenses	(1,201)	(681)
Profit/(Loss) Before Taxation	13,920	(99,786)

Sherwood Counselling & Psychotherapy Limited

Notes to the Detailed Income Statement

Year Ended 31 August 2023

	2023	2022
	£	£
Administrative Expenses		
Directors salaries	113,248	96,683
Wages and salaries	402,668	311,339
Employers national insurance contributions	39,691	31,016
Staff pension contributions - defined contribution	19,573	16,078
Rates and water	11,842	25,828
Light and heat	19,130	13,469
Insurance	5,810	4,838
Repairs and maintenance	31,415	32,106
Housekeeping costs	30,630	26,300
Motor and travelling expenses	871	622
Hire of equipment	2,259	2,038
Telephone	8,885	5,644
Printing postage and stationery	5,976	6,418
Sundry expenses	4,378	6,477
Computer software and maintenance costs	3,278	3,786
Books	3,510	4,507
Trade subscriptions	194	353
Recruitment expenses	7,010	8,437
Legal and professional fees (allowable)	13,965	7,581
Accountancy fees	4,179	3,509
Auditors remuneration	9,000	5,040
Depreciation	10,612	5,606
(Gain)/loss on disposal of tangible assets	5,523	-
Bad debts written off	-	782
Operating lease payments - property	81,882	90,044
Bank charges	3,126	1,657
	<u>838,655</u>	<u>710,158</u>
 Other Interest Receivable and Similar Income		
Interest on cash and cash equivalents	<u>2,193</u>	<u>147</u>
 Interest Payable and Similar Expenses		
Interest on bank loans and overdrafts	<u>1,201</u>	<u>681</u>