

The Minster Centre



Annual Report and Financial Statements Year ended 31 December 2016

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

The Minster Centre

Trustees' report and financial statements for the year to 31 December 2016

Contents

1. Company Information	3
2. Principal Aims And Activities	4
3. Review Of The Period	5
4. Financial Review	11
5. Future Outlook For The Minster Centre	13
6. Statement Of Responsibilities Of The Trustees	14
7. Independent auditor's report	16
8. Statement of financial activities (incorporating an income and expenditure account)	20
9. Balance sheet	21
10. Statement of cash flows	22
11. Notes to the financial statements	23

The Minster Centre

Trustees' report and financial statements for the year to 31 December 2016

1. Company information

Trustees

Pamela Atkinson	(re-elected 8 January 2016, resigned 1/12/16)
Christopher Brooks	(Treasurer, re-elected 20/12/16)
Julia Bueno	(elected 7 January 2015, resigned 18/11/16)
Norma Clayton	(elected 8 January 2016)
Lucy Clyde	(resigned 22/11/16)
Kea Horvers	(Vice Chair, re-elected 20/12/16)
Tamar Posner	(Chair, re-elected 20/12/16)
Rita Rupal	(resigned 18/11/16)
Sean Titley	(elected 7/1/15)
Susanna Wright	(elected 20/12/16)

Company Secretary

Christopher Brooks

Senior staff

Director	Felicity Wright
Deputy Director	Philip Reilly
Deputy Director	Alyson Jaffe

Company number: 02966937
Country of incorporation: United Kingdom

Registered Charity Number: 1042052
Country of registration: England & Wales

Registered Office and Business Address: 20 Lonsdale Road
Queen's Park
London
NW6 6RD

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

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

The Minster Centre

Trustees' report and financial statements for the year to 31 December 2016

The Trustees present their report and financial statements for the year ended 31 December 2016.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

2. Principal aims and activities

2.1 Aims and Objects

The Minster Centre is a registered charity (number 1042052) and a company limited by guarantee, registered in England, incorporated on 12 September 1994 (number 02966937).

Its principal aims and objects, as defined by the Memorandum and Articles of Association, are:

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

2.2 Public benefit statement

The Centre pursues these objects through the delivery of training courses in counselling and psychotherapy and the provision of a community-based, low-cost therapy service.

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

In 2015 the Centre initiated a new Bursary scheme to support individuals wishing to undertake training in psychotherapy and counselling who could not otherwise afford to do so. The scheme aims to support two students per annum on Foundation level courses and one new student per annum undertaking professional training as a counsellor or psychotherapist. The Bursary Committee, which considers applications, has discretion to award these as fully funded or partially funded places or to award more bursaries for smaller amounts.

The training work of the Centre is integrated with the work of the Centre's low-cost, community therapy service since therapy is provided by senior trainees. In 2016, this service provided approximately 2,800 therapy hours. The Centre also continued its relationship with the Waterloo Multi-ethnic Counselling Service (MECS), a service for refugees and asylum seekers. The Centre provides therapy rooms at reduced cost which supports the service being offered in North West London.

The Minster Centre

Trustees' report and financial statements for the year to 31 December 2016

3. Review of the period

3.1 Strategic aims and objectives for 2016

The Board of Trustees reviews the organisation's strategic aims and shorter-term objectives at least annually. In January 2016 the Trustees restated the overarching aims in terms of the Centre's charitable objects, and added building the Centre's reputation for research and articulating more clearly the Centre's integrative stance with four strategic themes: reputation and influence, quality and range of training, quality and range of services, and governance.

Key aims identified under each theme are as follows:

- **Reputation and influence**
Build on the Centre's strong reputation by increasing awareness of what it can offer to potential trainees and clients. Activities over the next three years will include: completing the rebranding exercise and launching a new website; reviewing training syllabi and continuing professional development (CPD) activities to ensure we are covering cutting-edge topics; supporting and demonstrating pathways to training and working for therapists from more diverse backgrounds; and offering routes to access therapy for groups that currently experience barriers to access.
- **Quality and range of training offered**
Activity will include: launching and establishing the post-qualification professional practice courses validated in 2014 and reviewing opportunities to increase the range of post-qualification courses: increasing opportunities for Minster graduates to network and support each other; strengthen feedback loops from students, graduates and staff to drive review and improvement of training offered.
- **Quality and range of services**
Develop innovative and effective models of delivering services that relieve suffering in a context where obtaining grants and public sector funding is very difficult. Activity will include exploring opportunities to support the development and delivery of specialist services through partnerships.
- **Governance**
Ensure The Minster Centre is particularly well governed and managed. Activities will include: improving the sophistication and availability of financial analysis; using existing resources, such as the building, to increase the Centre's financial security.

In June 2016, at the Board's annual strategy day, the Centre's strategy was reviewed against the background of a changing higher education landscape, particularly Government support for a widening HE market which encourages competition and choice and the introduction of postgraduate student loans for Masters degrees. Taking into account the considerable cost and staff resource implications, the Board took the decision to apply for designation as an alternative provider whose students are eligible for postgraduate loans at the earliest opportunity – 5 June 2016. This committed the Centre to a Quality Assurance Agency (QAA) Higher Education Review and a Financial Sustainability, Management, and Governance Review (FSMG) by the Higher Education Funding Council for England (HEFCE) in the period September 2016 to February 2017.

The Minster Centre

Trustees' report and financial statements for the year to 31 December 2016

3.2 Outcomes 2016

Reputation and influence

Building on the survey of current and past students undertaken in 2015, a rebranding committee worked with a designer to produce design concepts for a new logo. After further consultation with students, staff and alumni a final logo design was agreed by the Board in November 2016. Work on developing a new website was delayed by the work to prepare for HEFCE and QAA reviews, however these preparations, which included beginning to develop a Minster Centre Moodle site, have increased awareness of options for the website architecture which will support development of the site in 2017.

Twenty-five CPD events were held during the year; they were attended by current students and staff, alumni, and people without previous association with the Centre. The programme specifically included topics that addressed issues of access to psychotherapy, including: working with chronic illness and disability; therapy, race and class; topics on developing issues in the field such as a talk on Chemsex; and topics that support practitioners establishing themselves in practice such as 'Filthy Lucre - therapists' relationship with money'. In 2016 two new bursaries were awarded: one for a foundation student and one for a student starting professional training. A bursary for professional training was continued for a student progressing into the second year.

Quality and range of training offered

In 2016 the new Professional Practice MA/PG Dip, which was validated in 2014, recruited the first cohort of students to follow the Advanced Clinical Practice option. In all, eight students chose to study for the new MA/PG Dip in Professional Practice (Psychotherapy and Counselling) which was validated in 2014, two undertook the Supervision option and six Advanced Clinical Practice.

Work to strengthen Foundation level recruitment, which began in September 2015 with an increased intake to the weekly Foundation course, was added to by an increased intake to the Fast Track Foundation course in January 2016. This ran with 3 groups (maximum intake 39 students) for the first year. Increased Foundation level intake fed through into very strong recruitment to the first year of professional training in September 2016.

The Centre provided written submissions to HEFCE and the QAA in November as the first stage of the process to be designated as an alternative provider eligible for student loans. The review visit by QAA took place in February 2017.

Feedback loops were strengthened during the year to support enhancement of the training offered. Annual student surveys were moved onto an electronic platform which allowed the Centre to analyse the data provided more effectively and communicate the resulting information to staff and students more easily. The QAA process, which requires student participation, produced a student submission that led to some immediate improvements, for instance a request for more communication about the work being undertaken behind the scenes to develop the Centre.

Quality and range of services

The Centre continued to offer therapy through its low cost service, where long-term therapy is delivered by senior trainees, and maintained its relationship with Waterloo Counselling Service who deliver a multi-ethnic counselling service to clients in North West London using facilities provided at reduced cost by The Minster Centre. Both these services offer access to therapy for groups who would otherwise face obstacles to accessing it. Long-term therapy is increasingly difficult to access via the NHS or through voluntary services which

The Minster Centre

Trustees' report and financial statements for the year to 31 December 2016

increasingly offer primarily short-term work. The multi-ethnic counselling service offers counselling to refugees and asylum seekers usually in their own language.

Governance

Following the installation of a new room booking system in 2015, which has allowed us to respond to enquiries about room use more quickly, track room bookings more accurately and invoice for room hire more promptly, income from room hire has increased from £40,149 in 2014 to £58,139 in 2015, to over £66,000 in 2016. This has been achieved without increasing room hire fees to students. The building is busy with our own training, training and events being delivered by other, primarily therapeutic, organisations and students, private therapists and services seeing clients. This contributes to The Minster Centre being a thriving and lively therapeutic centre.

At its November 2016 meeting the Board of Trustees agreed to explore mechanisms for greater representation of staff and students on the Board from January 2018.

3.3 Other activities and achievements in 2016

Training

The Minster Centre is one of the United Kingdom's leading organisations for the training of psychotherapists and counsellors; its courses are accredited by the main professional bodies: the Diploma in Integrative Counselling by the British Association of Counselling and Psychotherapy (BACP) and the Advanced Diploma in Integrative Psychotherapy and Counselling by the United Kingdom Council for Psychotherapy (UKCP). The MA/PG Dip courses are validated by Middlesex University.

Courses are offered at all levels ranging from open-entry short counselling skills courses to qualifying and post qualification post graduate level courses. The structure and content of training and the quality of teaching is kept under regular review and adapted to reflect new developments in the field.

The steady increase in trainee enrolments that has occurred over the last 10 years continued: in the 2015/16 and 2016/17 academic years this was primarily as a result of increasing the number of places offered on Foundation-level courses, the feed-through of increased numbers to the professional training, and the beginning of new PG Dip and MA courses that were validated in 2014. See Table 1 below for more information on student numbers.

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

Table 1: Student Numbers since 2005/06

	2016/ 17	2015/ 16	2014/ 15	2013/ 14	2012/ 13	2011/ 12	2010/ 11	2009/ 10	2008/9	2007/8	2006/7	2005/6
Foundation certificate	46	48	45	30	32	33	31	28	24	20	16	11
Fast Track Foundation certificate	38	36	25	26	24	26	26	27	23	15	13	20
Year 1 Professional Training	53	48	43	39	42	41	46	32	30	32	22	24
Year 2 Professional Training	45	45	33	42	38	43	33	26	24	24	21	23
Counselling Diploma finalists and MA/Adv Diploma Year 3	42	35	39	38	42	42	26	21	21	20	26	17
Adv Diploma and MA Finalists ¹	70	64	65	62	58	35	34	34	35	38	16	13
CPD – Supervision Diploma/PG Dip/MA ²	9	9	9	12	10	9	8	11	10	10	12	-
MA Advanced Clinical Practice	9	6	–	–	–	–	–	–	–	–	–	–
Total	312	291	259	249	246	229	204	176	168	159	124	120

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

Note 2: The post qualification MA/PG Dip courses in Supervision and Advanced Clinical Practice are new courses.

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

Therapy services

Low Cost Therapy Service

The training work of the Centre is integrated with the work of the Centre's low-cost, community-based therapy service with therapy being provided by senior trainees.

The Low Cost Therapy Service has undergone a number of changes in 2016. There was a noticeable improvement in data collection and administration of the service since the introduction of the Access database. The service has also seen an increase in demand due to the increase of students wishing to work for the service at all stages of their training. The complexity of client presentations continues to increase creating new and interesting challenges for both staff and students.

In 2016 140 assessments were offered to new clients, of which 108 were attended; 71 clients were offered long term therapy. During 2016 the service also offered therapy to 39 long-term clients who had started in the past few years. A total of approximately 2,800 hours of low cost therapy were provided during 2016. At the end of the year there were 65 active clients who have worked with the service for over six months, with an average duration of therapy of 16 months for long-term clients. Of all clients who started therapy in 2016 only 11 dropped out of treatment before six months had elapsed. 119 Minster students are offering therapy through the service and 87 of these are currently seeing at least one client.

Waterloo Counselling Service

Following the closure of The Minster Centre's Mapesbury Clinic in 2014, some residual funding from The Big Lottery Fund was transferred to the Waterloo Counselling Service (WCS) to support its work with refugees and asylum seekers. The Minster Centre also negotiated an agreement with WCS so that clients from North London could be seen in rooms provided by The Minster Centre at reduced cost and some basic space was provided to support admin, record storage, etc. The Centre was delighted to be able to continue to support services for refugees and asylum seekers in this way and this arrangement continued throughout 2016.

This service, which was re-named the Multi-ethnic Counselling Service NW (MECS NW), offers counselling in Albanian, Amharic, Arabic, English, Farsi, Farsi (Darri), French, Kurdish, Portuguese and Tamil for refugees and asylum seekers resident in any North London borough.

MECS (NW) expected to be ending with the clients they were seeing during 2016 but have been successful in obtaining further funding so will be continuing to offer this service and group work for specific language and cultural groups in 2017. The collaborative arrangement with The Minster Centre has worked well and both WCS and The Minster Centre Trustees have expressed a desire to continue the arrangement as long as funds permit. The Trustees also support the model of working collaboratively to provide specialist services.

3.4 Staff

The Trustees delegate the day-to-day operations to the Director and her team of staff. The Director meets with the Trustees at least five times a year to discuss progress in relation to objectives, monitor performance and agree future budgets, targets and priorities. She also attends at least four Finance Sub-Committees per year and regularly meets more informally with the Chair of Trustees.

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

3.5 Remuneration Policy

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

Although The Minster Centre is not a London Living Wage-accredited employer (meaning that all staff and contractors are paid at least the living wage) it does seek to ensure that all staff are paid at least the London Living Wage.

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

A new appraisal system was introduced in 2016 and applies to all permanent staff. The Director participates in the same scheme but also receives feedback from the Board of Trustees and colleagues.

The ratio of highest to lowest and highest to median rates of pay is published annually. As a guideline, the Trustees would not normally expect the ratio of highest to median rate of pay to exceed 4:1. In 2016 the ratio of highest to lowest pay was 3.4 and highest to median rate of pay was 2.5.

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

3.6 Recruitment and induction of Trustees

The arrangements for the appointment of Trustees are laid down in the charity's Memorandum and Articles of Association. There must be a minimum of three Trustees and a maximum of twelve. Each year one-third of the Trustees must resign. Trustees can stand for re-election up to a maximum period of nine years. Elections for Trustees are therefore held annually with the Trustees being elected by the members. Members, for the purposes of elections are Trustees, alumni of Minster Centre professional training courses and individuals who have been granted honorary membership. In the event of vacancy of the position of a Trustee, between elections, the Board of Trustees may co-opt a Trustee. Co-opted Trustees then go forward for confirmation at the next scheduled election.

Nominations for Trustees are sought by advertising the types of experience and skills needed for the Board on the website and to the membership.

During the annual election process Pamela Atkinson stood for re-election and Norma Clayton stood for the first time. Both were elected on 8th January 2016. The skills and experience they bring include psychotherapy and psychotherapy training, and Human Resources. An induction session for Trustees was carried out in 2016, delivering detailed information about their roles and the work of The Minster Centre. Four Trustees, Pamela Atkinson, Julia Bueno, Lucy Clyde and Rita Rupal, stood down in November 2016. At the end of the year Tamar Posner, Christopher Brooks, Kea Hovers stood successfully for re-election and Susanna Wright was elected for the first time.

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

4. Financial Review

4.1 Financial performance in 2016

In 2016 the charity had income of £1,203,221 and expenditure of £1,155,273 resulting in net incoming resources of £47,948, for the year. The small surplus resulted from strong student recruitment, particularly to Foundation courses and the first year of professional training, increased income from room bookings, and careful control over overheads. There was an underspend on new website development and expenditure on the QAA HE Review of £21,000 which was not planned at the start of the year.

A balanced budget has been planned for 2017.

4.2 Reserves Policy

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

The level and range of reserves the charity needs was re-assessed at the end of 2015 and revisited at the end of the year using the Risk Identification approach as recommended by Sayer Vincent's *Reserves policies made simple*. This considers the sources, reliability and predictability of income, the commitment to expenditure and the significant risks the charity faces. In addition consideration has been given to developments that the charity wishes to undertake given its strategic aims.

Cash Flow

Monthly cash flow varies primarily because of the cycle of fee income and the timing of quarterly rent payments. Although many students spread their fee payments across the academic year producing a good flow of income across the months, some pay up-front creating an income peak in September and October that has to support deficits in other months. The Trustees agreed that a minimum cash reserve of £85,000, equivalent to a full month's expenditure, should be held at all times with a preferred cash reserve of £120,000.

Income

Although income from training fees forms a very high proportion of income and would fall if student recruitment fell, this risk is moderated by the fact that fees come from a large number of individuals, we offer a range of courses at different levels (open entry skills through full training to post qualification CPD), and some courses run for more than one year making income in following years more predictable.

Expenditure

The Centre has four main areas of expenditure: training (73%), support costs 22%, low cost therapy 4%, and governance (1%). While all of these costs are strongly related to the delivery of the Centre's charitable purposes, if necessary, the range and scope of delivery could be reduced without negating all public benefit.

Risks

The charity undertakes regular reviews to identify and reduce significant risks. Risks that could impact the charity's viability have been identified as: a major reduction of student applications, significant damage to the charity's reputation, and a large increase in the

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

charity's fixed costs for instance as result of increased premises costs or an unplanned, one-off cost, such as a major repair to the building.

The Trustees and the Centre's management have identified actions to reduce these risks.

Level of reserves

The Board of Trustees is committed to supporting students to complete courses they have commenced and ensuring that, in the event of cessation of a course or a service, any client work can be brought to a planned ending. In the event of a major reduction in recruitment which leads the Centre to take the decision to close a course that takes more than one year to complete, the Centre would be committed to teach trainees to qualification; this could take up to four years. The direct costs of maintaining tuition for courses that take more than one year and the linked support costs would taper off as a cohort of students completed their qualification each year. Costs would also be offset by continuing fees from the remaining students. At the end of a course redundancy costs would also be incurred. Trustees agreed that in future £230,000 (raised from £180,000 at the end of 2015) should be held in reserves as an ethical training closure fund. The increase in funding was based on a reassessment of the costs of teaching trainees to qualification taking into account course requirements and the increased number of students. In addition, £30,000 should be held to allow the Low Cost Therapy Service to run for six months to bring work with clients to an end and to cover redundancy costs in the event of a decision to close the service. This makes a total ethical closure fund of £260,000.

Aside from the reserves needed to ensure ethical closure of activities, the Trustees agreed that the following reserves should be held in future:

Dilapidations and repairs (Premises)	£50,000 (raised from £40,000 because of the rent review in 2018)
Bursaries	£15,000 (as previously)
The Trustees agreed that the Centre should hold general reserves of at least	£40,000
	Total: £365,000.

The current total Minster Centre reserves are £417,323

The Trustees will keep The Minster Centre's reserves under review during 2017; in particular attention will be paid to the implications of the rent review due in 2018. If it looks as though reserves will be in excess of the identified need, steps will be taken to support the planned activities to meet the identified strategic aims. However, as The Minster Centre ran at a deficit in 2014 and 2015 it will be prudent to delay taking any action until the in-year and medium term budgetary position is clearer and the scale of any rent increase has been established.

The level of reserves required will be reviewed annually.

4.3 Going concern

The Board of Trustees has reviewed the level of reserves held and the budget for 2017 and have confirmed the level of deferred income and ongoing fees; they have satisfied themselves that the Minster Centre is a going concern.

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

5. Future outlook for the Minster Centre

5.1 Principal risks and uncertainties

The Trustees carry out an annual risk assessment, agreeing measures to mitigate risks that would be high impact and/or have a high probability of occurrence. Risk assessment includes consideration of strategic, financial, operational, technological, human resource, and reputational risks. It also includes the duty, under the Counter-Terrorism and Security Act 2015, to have due regard to the need to prevent people from being drawn into terrorism (the Prevent duty). In addition to the annual review, an identified risk is reviewed at each Board meeting.

Key risks identified in 2016, of which some are potentially high impact but unlikely, and for which mitigation measures were agreed included:

- Major loss of income because of drop in student numbers and/or increase in arrears / defaults on fees. (Mitigation includes an increase in places offered on Introductory and Foundation level courses and regular review and close monitoring of deferrals and debtors)
- Lease on the current building becomes too expensive. (Mitigation includes preparation for negotiations in 2018 and research of alternative options)
- Loss of key staff or a decrease in staff performance/poor staff wellbeing. (Mitigation includes external supervision and support for senior management team, succession planning)
- A person associated with the Minster Centre being drawn into terrorism. (Mitigation includes specific risk assessment and monitoring by HEFCE of policies and procedures, especially relating to safeguarding, to ensure we meet our Prevent duties).
- Reputational damage. (Mitigation includes rebranding to clearly reflect Minster Centre purpose and values and maintaining strong internal and external communications).

5.2 Strategic aims

In 2015 the Trustees restated the overarching aims in terms of the Centre's charitable objects: the education of the public by providing training in psychotherapy and counselling and the relief of suffering by providing psychotherapy and counselling. They then grouped the strategic aims under four themes: reputation and influence, quality and range of training, quality and range of services, and governance.

In 2016, the Trustees reviewed the strategic aims against the background of a changing higher education landscape, particularly Government support for a widening higher education market which encourages competition and choice, and the introduction of postgraduate student loans for Masters degrees; they agreed the Centre should seek designation as an alternative provider whose MA students are eligible for postgraduate student loans. This committed the Centre to a Quality Assurance Agency (QAA) Higher Education Review and, if successful, to engaging in an ongoing review process with QAA and HEFCE.

Key aims under each theme are as follows:

- The Minster Centre has a strong reputation in the field for producing robust therapists. However, increasing awareness of what it can offer to potential trainees and clients, to

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

colleagues and to the field of psychotherapy and counselling will increase its capacity to deliver its charitable objects. Ongoing activities include: completing the rebranding exercise and launching a new website; reviewing training syllabi and continuing professional development activities to ensure we are covering cutting-edge topics; supporting and demonstrating pathways to training and working for therapists from more diverse backgrounds; and routes to access therapy for groups that currently experience barriers to access.

- Increase the range, quality and reputation of psychotherapy and counselling courses offered at The Minster Centre. The decision to undertake a QAA HE Review and the ongoing commitment to quality assurance this requires will provide one framework for the Centre's ongoing activities to enhance the quality of training offered.
- Develop innovative and effective models of delivering our object to relieve suffering through the delivery of counselling and psychotherapy services in a context when obtaining grants is very difficult. Ongoing activities include the continuing partnership with Waterloo Counselling Service to deliver services to refugees and asylum seekers, and working to ensure that we train students from a wide range of backgrounds to support the accessibility of services for groups who currently find services suited to their needs hard to access.
- Ensure The Minster Centre is particularly well governed and managed. Ongoing activities include: using existing resources, such as the building, to increase the Centre's financial security and the Trustees' decision to seek ways to increase student and staff representation at Board level from 2018.

6. Statement of responsibilities of the Trustees

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

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

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

The Trustees of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2016 was 6 (2015 - 137). The reduction in numbers follows from the members of the charity agreeing an adjustment to the Memorandum and Articles of Association on 8th January 2016 such that in future only Trustee members would contribute £1 in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

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

This report was approved by the Trustees on 21 April 2017 and signed on its behalf by:

Tamar Posner
Chair

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

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

Opinion

We have audited the financial statements of the Minster Centre (the 'charitable company') for the year ended 31 December 2016 which comprise the statement of financial activities, 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 charitable company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' Annual Report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' Annual Report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' Annual Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

Auditor's responsibilities for the audit of the financial statements

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

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The Minster Centre

Trustees' report and financial statements for the Year to 31 December 2016

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Judith Miller (Senior statutory auditor)

5 May 2017

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

The Minster Centre

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

For the year ended 31 December 2016

	Note	Unrestricted £	2016 Total £	Unrestricted £	2015 Total £
Income from:					
Charitable activities					
Training Activities		1,084,281	1,084,281	898,809	898,809
Low Cost Therapy		40,583	40,583	33,650	33,650
Room Hire & Membership Income		76,838	76,838	66,116	66,116
Investment interest		1,519	1,519	2,221	2,221
Total income		<u>1,203,221</u>	<u>1,203,221</u>	<u>1,000,796</u>	<u>1,000,796</u>
Expenditure on:					
Charitable activities					
Training Activities	2	1,101,183	1,101,183	1,097,880	1,097,880
Low Cost Therapy		54,090	54,090	63,624	63,624
Total expenditure		<u>1,155,273</u>	<u>1,155,273</u>	<u>1,161,504</u>	<u>1,161,504</u>
Net income / (expenditure) for the year	4	<u>47,948</u>	<u>47,948</u>	<u>(160,708)</u>	<u>(160,708)</u>
Net movement in funds		<u>47,948</u>	<u>47,948</u>	<u>(160,708)</u>	<u>(160,708)</u>
Reconciliation of funds:					
Total funds brought forward		<u>369,375</u>	<u>369,375</u>	<u>530,083</u>	<u>530,083</u>
Total funds carried forward	15	<u><u>417,323</u></u>	<u><u>417,323</u></u>	<u><u>369,375</u></u>	<u><u>369,375</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements. All activity in 2015 & 2016 was unrestricted.

The Minster Centre

Balance sheet

Company no. 02966937

As at 31 December 2016

	Note	£	2016 £	£	2015 £
Fixed assets:					
Tangible assets	9		<u>73,619</u>		<u>92,879</u>
			73,619		92,879
Current assets:					
Debtors	10	430,613		432,059	
Investments		89,806		88,571	
Cash at bank and in hand		512,602		387,288	
		<u>1,033,021</u>		<u>907,918</u>	
Liabilities:					
Creditors: amounts falling due within one year	11	689,317		631,422	
			<u>343,704</u>		<u>276,496</u>
Net current assets					
			<u>417,323</u>		<u>369,375</u>
Total net assets					
			<u>417,323</u>		<u>369,375</u>
The funds of the charity:					
Unrestricted income funds:	15				
Designated funds		325,000		275,000	
General funds		92,323		94,375	
		<u>417,323</u>		<u>369,375</u>	
Total unrestricted funds					
			<u>417,323</u>		<u>369,375</u>
Total charity funds			<u>417,323</u>		<u>369,375</u>

Approved by the trustees on 21 April 2017 and signed on their behalf by

Tamar Posner
Chair

The Minster Centre

Statement of cash flows

For the year ended 31 December 2016

	Note	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash provided by operating activities	16		126,547		17,059
Cash flows from investing activities:					
Interest from investments		284		1,344	
Purchase of fixed assets		(1,517)		-	
Net cash (used in) / provided by investing activities			(1,233)		1,344
Change in cash and cash equivalents in the year			125,314		18,403
Cash and cash equivalents at the beginning of the year			387,288		368,885
Cash and cash equivalents at the end of the year	17		512,602		387,288

1 Accounting policies

a) Statutory information

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

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

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

d) Going concern

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

Key judgements that the charitable company has made which have a significant effect on the accounts include a thorough and detailed review of the debtors and consequent write-offs, a review of the operation of the MA Registration Fees control account, and the annual review of risks and mitigation measures.

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

e) Income

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

g) Interest receivable

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

h) Fund accounting

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

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

1 Accounting policies (continued)

i) Expenditure

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

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

j) Allocation of support costs

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

- | | |
|--------------------|-------|
| ● Training | 96.0% |
| ● Low Cost Therapy | 4.0% |

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

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

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

k) Operating leases

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

1 Accounting policies (continued)

l) Tangible fixed assets

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

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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

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

o) Debtors

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

p) Cash at bank and in hand

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

q) Creditors and provisions

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

r) Financial instruments

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

s) Pensions

The Minster Centre operates a defined contribution automatic enrolment pension scheme managed by The Peoples Pension. The staging date was 1 March 2015. Contributions are accounted for as expenditure as they fall due.

2 Analysis of expenditure

	<u>Charitable activities</u>				2016 Total £	2015 Total (restated) £
	Training £	LCTS £	Governance costs £	Support costs £		
Staff costs (Note 5)	751,130	42,343	-	-	793,473	765,706
Direct cost	11,444	2,707	-	-	14,151	17,199
QAA costs	21,550	-	-	-	21,550	-
i) Costs of MA registration	-	-	-	-	-	28,617
ii) Withdrawn/Deferred	39,505	-	-	-	39,505	62,353
Room hire costs	500	-	-	-	500	175
Bursaries	10,007	-	-	-	10,007	9,255
Hardship grants	3,800	-	-	-	3,800	2,250
<i>Support and governance costs:</i>						
Premises costs	-	-	-	181,489	181,489	174,227
Office costs	-	-	-	42,025	42,025	54,913
Professional costs	-	-	-	347	347	2,833
Marketing	-	-	-	21,368	21,368	19,313
Bank charges	-	-	-	2,829	2,829	3,458
Other staff costs	-	-	-	12,519	12,519	9,158
Audit and accountancy	-	-	11,514	-	11,514	11,520
Trustee meeting expenses	-	-	196	-	196	527
	<u>837,936</u>	<u>45,050</u>	<u>11,710</u>	<u>260,577</u>	<u>1,155,273</u>	<u>1,161,504</u>
Support costs	252,607	7,970	-	(260,577)	-	-
Governance costs	10,640	1,070	(11,710)	-	-	-
Total expenditure 2016	<u>1,101,183</u>	<u>54,090</u>	<u>-</u>	<u>-</u>	<u>1,155,273</u>	<u>1,161,504</u>
Total expenditure 2015	<u>1,097,880</u>	<u>63,624</u>	<u>-</u>	<u>-</u>	<u>1,161,504</u>	

All expenditure in both years was unrestricted. 2015 figures have been restated to allocate an additional £42,795 to staff costs. This represents self-employed staff costs that were previously included within direct and office costs. Some professional costs have also been reanalysed as audit and accountancy and direct costs.

- i) Costs of MA registration relate to costs incurred by Minster where fee income collected from students is insufficient to cover the minimum payments due to Middlesex University.
- ii) Withdrawn/Deferred: Represents income lost from students who have left part way through a course, but hope to return to complete their course at a future date. 2015 also included a write-off of irrecoverable student debts from earlier years.

3 Grant making

	Grants to individuals £	Support costs £	2016 £	2015 £
Cost				
Training bursaries	10,007	–	10,007	9,255
At the end of the year	10,007	–	10,007	9,255

4 Net incoming resources for the year

This is stated after charging / crediting:

	2016 £	2015 £
Depreciation	20,777	28,894
Operating lease rentals:		
Property	156,000	156,000
Auditors' remuneration (excluding VAT):		
Annual audit	8,600	8,600
Other	995	1,000

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

Staff costs were as follows:

	2016 £	2015 £
Self-employed	164,461	121,496
Staff costs	587,276	599,115
	39,306	42,795
Employer's contribution to defined contribution pension schemes	2,430	2,300
	793,473	765,706

No employee earned more than £60,000 during the year (2016: nil).

Key management personnel are the Minster Centre Senior Management Team. This consists of one Director and two Deputy Directors. All three posts are part-time. The total employee benefits (including pension contributions and employers national insurance) to the Senior Management Team in 2016 were £110,443 (2015 £118,628).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil). Charity trustee received payment for professional services supplied to the charity (2016: £526) as disclosed in note 7.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £318.53 were incurred by three members relating to attendance at meetings of the trustees (2015: £376.50 to two trustees).

6 Staff numbers

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

	2016		2015	
	Headcount No.	FTE	Headcount	FTE No.
Training Activities	25.0	9.0	19.0	8.0
Low Cost Therapy	1.5	1.0	3.0	1.0
Support	11.0	6.0	9.0	5.5
Governance	1.0	1.0	1.0	1.0
	<u>38.5</u>	<u>17.0</u>	<u>32.0</u>	<u>15.5</u>

7 Related party transactions

Tamar Posner was paid fees for professional services of £526 (2015: £1,509)

Trustees listed below received services from the charity charged to them at the usual rate as follows:

Tamar Posner – Room rental £3,098 (2015: £3,999)

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

8 Taxation

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

9 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Office equipment £	Total £
Cost or valuation					
At the start of the year	265,315	9,318	2,917	5,270	282,820
Additions in year	–	–	–	1,517	1,517
At the end of the year	<u>265,315</u>	<u>9,318</u>	<u>2,917</u>	<u>6,787</u>	<u>284,337</u>
Depreciation					
At the start of the year	172,436	9,318	2,917	5,270	189,941
Charge for the year	20,619	–	–	158	20,777
At the end of the year	<u>193,055</u>	<u>9,318</u>	<u>2,917</u>	<u>5,428</u>	<u>210,718</u>
Net book value					
At the end of the year	<u>72,260</u>	<u>–</u>	<u>–</u>	<u>1,359</u>	<u>73,619</u>
At the start of the year	<u>92,879</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>92,879</u>

All of the above assets are used for charitable purposes.

10 Debtors

	2016 £	2015 £
Trade debtors	399,355	400,379
Prepayments	31,258	31,680
	<u>430,613</u>	<u>432,059</u>

11 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	33,985	36,438
Taxation and social security	14,594	13,796
Other creditors	18,078	2,892
Accruals	15,121	13,678
Deferred income	607,539	564,618
	<u>689,317</u>	<u>631,422</u>

12 Deferred income

Deferred income comprises of student invoices covering an academic year. Since all invoices are issued in September of each year, one third is shown in the income for that year and two thirds are deferred until the following year.

	2016 £	2015 £
Balance at the beginning of the year	564,618	494,986
Amount released to income in the year	(564,618)	(494,986)
Amount deferred in the year	607,539	564,618
	<u>607,539</u>	<u>564,618</u>

13 Pension scheme

The Minster uses The Peoples Pension scheme as its sole provider. The staging date was the 31 March 2015. 25 employees were enrolled in the scheme December 2016.

14a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	73,619	-	-	73,619
Net current assets	18,704	325,000	-	343,704
	<u>92,323</u>	<u>325,000</u>	<u>-</u>	<u>417,323</u>

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	92,879	-	-	92,879
Net current assets	1,496	275,000	-	276,496
Net assets at the end of the year	94,375	275,000	-	369,375

15a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
Designated funds:					
Dilapidations	40,000	-	-	10,000	50,000
Ethical Closure	220,000	-	-	40,000	260,000
Bursary fund	15,000	-	(10,007)	10,007	15,000
Total designated funds	275,000	-	(10,007)	60,007	325,000
General funds	94,375	1,203,221	(1,145,266)	(60,007)	92,323
Total unrestricted funds	369,375	1,203,221	(1,155,273)	-	417,323
Total funds	369,375	1,203,221	(1,155,273)	-	417,323

15b Movements in funds (prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Unrestricted funds:					
Designated funds:					
Dilapidations	25,000	-	-	15,000	40,000
Training & Development	20,000	-	(16,502)	(3,498)	-
Website & Rebranding	25,000	-	-	(25,000)	-
Ethical Closure	180,000	-	-	40,000	220,000
Minster Centre Development	30,000	-	-	(30,000)	-
Bursary fund	15,000	-	(9,255)	9,255	15,000
Total designated funds	295,000	-	(25,757)	5,757	275,000
General funds	235,083	1,000,796	(1,135,747)	(5,757)	94,375
Total unrestricted funds	530,083	1,000,796	(1,161,504)	-	369,375
Total funds	530,083	1,000,796	(1,161,504)	-	369,375

Purposes of designated funds

Dilapidations: This fund will be used to enable the charity to return the lease to the landlord if/when necessary.

Training & Development: This fund was used to enable the charity to develop its courses.

Website & Rebranding: This fund was used to redevelop the website.

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

Minster Centre Development: This fund is used to enable the Centre to develop activities not necessarily related to training.

Bursary: This fund will be used to support diversity in the profession by enabling students who would otherwise be unable to afford it to undertake training.

General funds

The Charity is required to reinvest profits from its training activity back into training work to benefit from its VAT exemption. Over the last few years, the Charity's training activity has been profitable and as a result the majority of the Charity's general reserves have been earmarked for spending on training work.

16 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2016 £	2015 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	47,948	(160,708)
Depreciation charges	20,777	28,894
Interest from investments	(1,519)	(2,221)
Net cash provided by / (used in) operating activities	126,547	17,059

17 Analysis of cash and cash equivalents

	At 1 January 2016 £	Cash flows £	Other changes £	At 31 December 2016 £
Cash at bank and in hand	75,000	26	–	75,026
Notice deposits (less than three months)	312,288	125,288	–	437,576
Total cash and cash equivalents	387,288	125,314	–	512,602

18 Operating lease commitments

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

	Property 2016 £	2015 £
Less than one year	156,000	156,000
One to five years	195,000	312,000
	351,000	468,000

19 Legal status of the charity

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