

MATRIX COLLEGE OF COUNSELLING AND
PSYCHOTHERAPY LTD
FINANCIAL STATEMENTS
31 AUGUST 2023

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2023

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MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

Mrs F M Paul
Mrs C E E Leong-Son

REGISTERED OFFICE

6 Griffin Court
Wymondham
Norfolk
NR18 0GU

AUDITOR

Lovewell Blake LLP
Chartered Accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

STRATEGIC REPORT

YEAR ENDED 31 AUGUST 2023

PRINCIPLE ACTIVITY AND BUSINESS REVIEW

The principle activity of the company is the provision of training services, our continuing objective is to be a centre of excellence in counselling training in the region.

Newly enrolled student numbers slightly increased in September 2022.

Students have enjoyed a continued and increased success rate in achieving BSc (Hons) award. Our outreach programme of clinical placements continues to grow, and we continue to extend into new territories such as Nottinghamshire and Essex. Thanks to our reputation, we now have students applying to Matrix from well beyond the counties of Suffolk and Norfolk. Our emphasis on delivering a high-quality course is being maintained. We constantly review course content to ensure we are always ready for the changes that drive the profession's disciplines.

We have increased our teaching space and have leased two additional small rooms (in one of our existing buildings) to add additional space for students to practise their counselling skills. Our light and spacious facilities provide dedicated spaces for administration, independent student study, a library, counselling and training rooms, and a sociable café space and break-out areas. This structure allows us to consolidate our offer to students and effectively manage the anticipated gradual increase in student numbers.

Our continued ambition is to expand our provision by establishing a new post graduate supervision course for qualified counsellors, this is due to commence in October 2023. We have also made connections within the Norfolk and Norwich University Hospital and plan to run Introduction to Counselling Skills trainings for nurses and allied professionals in the Outpatients Department in Autumn 2023. This develops our offering whilst consolidating our reputation as a centre of excellence for studies in the field of counselling.

Our Board of Governors meet regularly and ensures a high level of scrutiny and accountability.

We have recruited a Head of Curriculum to join the Operational Team. The team now comprises of five members and together they manage Matrix. They are highly responsive to the demands of students, placements, the UKCP, Middlesex University and the Office for Students. In addition, we continue to build on our excellent relationship with our accountant and auditors to ensure transparency in our financial management, ensuring Matrix's finances and resources are well managed to protect the students and continue offering a high standard of training.

We have a continued aim to set up a bursary programme. We remain committed to providing an opportunity for students to transform their own lives through accessing an outstanding learning experience that can provide them with social mobility as they carve a path that leads to a new career.

We were successful in gaining Cyber Essentials in July 2023 this means that we can be more confident that our cyber security measures are fit for purpose.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Directors are confident that the company has sufficient financing facilities to meet its working capital requirements. The company's sales and purchases are made in sterling, so there is no exposure to currency risk. The Directors are satisfied that credit risk is adequately managed through day-to-day monitoring by the Principal and that, as a result, bad debt experience is minimised.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

STRATEGIC REPORT (continued)

YEAR ENDED 31 AUGUST 2023

PRINCIPLE RISKS AND UNCERTAINTIES

Overview

The management and nature of the business are subject to several risks. The Directors have set out below the principle risks facing the business. The Directors believe that a thorough risk management process is adopted, which involves the formal review of all the risks identified below. Where possible, procedures are in place to monitor and mitigate such risks.

The Board of Governors advises on risk management and evaluative strategy. These are regularly reassessed. The current risks identified, together with mitigating actions are:

Loss of key personnel

The Head of Curriculum appointed. A review of job descriptions is being undertaken to increase the scope, understanding of and ability to undertake more key regulatory and management tasks.

Data confidentiality, integrity & availability

Continue with regular ongoing risk assessment.

Financial viability and sustainability

Maintain the current financial management and focus on maintaining reserves to a minimum of 10% of turnover.

Failure to meet regulatory and/or PSRB requirements

Maintain a continuous review of staffing and recruitment of more staff to take on more responsibility for regulation.

Managing increasing demand for student places

Maintain a continuous review of staffing and recruitment of more staff to take on more responsibility for regulation.

Managing increasing demand for student places

We will only increase capacity very gradually as we continue to be committed to delivering high-quality training. We believe that the ratio of student to tutor must remain at a level in which all students can be involved with discursive activities.

KEY PERFORMANCE INDICATORS

The director considers both financial and non-financial key performance indicators when measuring the success of the business.

The financial key performance indicators are considered to be Turnover, Profit before tax and Net assets at the year end.

The main non-financial key performance indicator is considered to be student numbers.

The director is satisfied with the year-end position and company performance.

FUTURE DEVELOPMENTS AND OUTLOOK

The company's business activities, together with the factors likely to affect its future development, performance and position, are set out in this report. The financial position of the company and its liquidity position are set out in the attached accounts. In addition, the principal risks and uncertainties section above details the policies and processes in place to manage financial risk and exposures to credit and liquidity risk.

The company will continue to build on its presence in the training sector by focusing on increasing the range of study options and consolidating its reputation as a centre of excellence for studies in the field of counselling and psychotherapy.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

STRATEGIC REPORT (continued)

YEAR ENDED 31 AUGUST 2023

CORPORATE GOVERNANCE

Matrix is a specialist college dedicated to training counsellors to the highest standards offering professional, high-quality training.

Matrix College is a Company limited by shares. The Directors are Fiona Paul and Colette Leong-Son. Fiona Paul (Principal) is the sole shareholder.

The Board of Governors oversees the work of the College with two committees supporting the Principal, the Operational Team and the Academic Board. The Board has five members, including both Directors, (one of whom is a senior businesswoman), one senior professional psychotherapist with many years' experience in psychotherapy training and two HE specialists.

The Operational Team members are Cheryl de Val (Chair and Head of Operations), Fiona Paul (Principal) Simon Blackmore (Head of Clinical Practice), Ian Argent (Head of Curriculum) and Nikkita Welman (Registrar).

The Academic Board members are Fiona Paul (Chair), Sara Lisamore (Programme Lead), Danielle Lloyd Edwards (Programme Lead) and Ian Argent (Programme Lead), plus two student members.

The key responsibilities of the Principal, the Operational Team and Academic Board are to deliver the College's strategic plan and agree on and implement policies that aid the plan.

The Operational Team is internally supported by the Programme Leads (PL) team and the Members' Committee (which oversees the professional graduate requirements of our alumni).

Each Committee has its own terms of reference.

Matrix is a small independent college. We are committed to the principles of good governance. We have adopted the Core Values of Higher Education Governance and the Seven Primary Elements of Higher Education Governance that underpin the values and beliefs identified within the CUC Higher Education Governance Code of Governance.

We have annually audited accounts and meet twice a year with our accountant to discuss business planning. We have no borrowings and no overdraft. The College is run based on the principles we teach - being ethical practitioners working with integrity.

We undertake an Annual Monitoring Review in conjunction with Middlesex University each year and an internal Annual Evaluatory review. Our External Examiner reports annually on our assessment of students' academic work. We take feedback from placement providers and maintain regular contact with them regarding our students' clinical work.

Oversight of Office for Student regulation is the responsibility of the Board of Governors and Directors, who ensure compliance with the OfS ongoing conditions of registration. They are also responsible for ensuring compliance with the Middlesex University Memorandum of Cooperation.

Risk assessment is a continual process at Matrix.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

STRATEGIC REPORT (continued)

YEAR ENDED 31 AUGUST 2023

INTERNAL CONTROLS

The Directors are responsible for ensuring that:

- Proper accounting records are kept in accordance with OfS and Middlesex University regulatory requirements.
- Business, operational and compliance risks are identified and managed by maintaining and operating a system of internal control, including risk evaluation and decision making based on mitigating risk.

The Board of Governors receives a report at each meeting on internal control and risk. As a result, a sound system of internal control is maintained, which is reviewed and evaluated.

Internal Control

The system of internal control has been developed and is co-ordinated by the Principal. It aims to provide as much assurance as is reasonably possible (not absolute assurance) that assets are safeguarded, transactions are properly authorised and recorded, and that material errors or irregularities are either prevented or can be detected promptly.

The review of the effectiveness of the systems of internal control is informed by:

- Regular scrutiny of financial and other performance monitoring data
- Publication of an Annual Auditor's Report.

This report was approved by the board of directors on 18th January 2024 and signed on behalf of the board by:



Mrs F M Paul
Director

Registered office:
6 Griffin Court
Wymondham
Norfolk
NR18 0GU

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

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.

DIRECTORS

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

Mrs F M Paul
Mrs C E E Leong-Son

DIVIDENDS

Particulars of recommended dividends are detailed in note 11 to the financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the strategic report, 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.

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.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

DIRECTORS' REPORT (continued)

YEAR ENDED 31 AUGUST 2023

This report was approved by the board of directors on15th January 2024..... and signed on behalf of the board by:



Mrs F M Paul
Director

Registered office:
6 Griffin Court
Wymondham
Norfolk
NR18 0GU

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD (continued)

YEAR ENDED 31 AUGUST 2023

OPINION

We have audited the financial statements of Matrix College of Counselling and Psychotherapy Ltd (the 'company') for the year ended 31 August 2023 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2023 and of its profit 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.
- Where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and management in accordance with relevant legislation.
- Where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- have been prepared in accordance with the requirements of the OfS's accounts direction and these requirements 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.

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.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD (continued)

YEAR ENDED 31 AUGUST 2023

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is 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 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.

Fee income as disclosed in note 4 to the Financial Statements is not materially misstated.

Expenditure on access and participation activities for the financial year has not been materially misstated.

We have nothing further 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD (continued)

YEAR ENDED 31 AUGUST 2023

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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Enquiry of management and those charged with governance;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, reviewing bank statements for transactions outside the normal course of business and reviewing accounting estimates for bias.

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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD (continued)

YEAR ENDED 31 AUGUST 2023

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

- Conclude on the appropriateness of the directors' 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 company'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 company 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.

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.

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.

Lovewell Blake LLP

Simon Watson FCCA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered Accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

19 January 2024

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

STATEMENT OF INCOME AND RETAINED EARNINGS

YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
TURNOVER	4	610,747	494,963
Cost of sales		247,353	233,314
GROSS PROFIT		363,394	261,649
Administrative expenses		249,694	206,171
OPERATING PROFIT	5	113,700	55,478
Other interest receivable and similar income	9	252	4
PROFIT BEFORE TAXATION		113,952	55,482
Tax on profit	10	25,262	10,798
PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME		88,690	44,684
Dividends paid and payable	11	(83,879)	(73,173)
RETAINED EARNINGS AT THE START OF THE YEAR		29,571	58,060
RETAINED EARNINGS AT THE END OF THE YEAR		34,382	29,571

All the activities of the company are from continuing operations.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD**STATEMENT OF FINANCIAL POSITION****31 AUGUST 2023**

	Note	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	12		15,498		18,468
CURRENT ASSETS					
Debtors	13	40,567		21,900	
Cash at bank and in hand		73,972		52,933	
		<u>114,539</u>		<u>74,833</u>	
CREDITORS: amounts falling due within one year	14	<u>92,167</u>		<u>61,386</u>	
NET CURRENT ASSETS			<u>22,372</u>		<u>13,447</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			37,870		31,915
PROVISIONS	15		<u>3,482</u>		<u>2,338</u>
NET ASSETS			<u>34,388</u>		<u>29,577</u>
CAPITAL AND RESERVES					
Called up share capital fully paid	18		3		3
Capital redemption reserve	19		3		3
Profit and loss account	19		<u>34,382</u>		<u>29,571</u>
SHAREHOLDERS FUNDS			<u>34,388</u>		<u>29,577</u>

These financial statements were approved by the board of directors and authorised for issue on

...18th January 2024....., and are signed on behalf of the board by:



Mrs F M Paul
Director

Company registration number: 04406186

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

STATEMENT OF CASH FLOWS

YEAR ENDED 31 AUGUST 2023

	2023	2022
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	88,690	44,684
<i>Adjustments for:</i>		
Depreciation of tangible assets	13,097	11,164
Other interest receivable and similar income	(252)	(4)
Tax on profit	25,262	10,798
Accrued expenses	27,981	1,840
<i>Changes in:</i>		
Trade and other debtors	(18,667)	14,120
Trade and other creditors	(11,384)	(3,947)
Cash generated from operations	124,727	78,655
Interest received	252	4
Tax paid	(9,934)	(17,506)
Net cash from operating activities	<u>115,045</u>	<u>61,153</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(10,127)	(13,122)
Net cash used in investing activities	<u>(10,127)</u>	<u>(13,122)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(83,879)	(73,173)
Net cash used in financing activities	<u>(83,879)</u>	<u>(73,173)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	21,039	(25,142)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	52,933	78,075
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>73,972</u>	<u>52,933</u>

The notes on pages 15 to 21 form part of these financial statements.

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

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 6 Griffin Court, Wymondham, Norfolk, NR10 0GU.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

These financial statements also comply with the Office for Students Regulatory Advice 9: Accounts Direction (OfS 2019.41).

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable during the year.

In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done during the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Income tax

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

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

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

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

3. ACCOUNTING POLICIES (continued)

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to 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:

Leasehold improvements	- 20% straight line
Books	- 25% reducing balance
Website	- 20% straight line
Equipment	- 30% reducing balance and 33.3% 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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. TURNOVER

Details of grant and fee income

	2023	2022
	£	£
Grant income from the OfS	49,853	13,690
Grant income from other bodies	—	—
Fee income for taught awards (exclusive of VAT)	559,304	480,433
Fee income for research awards (exclusive of VAT)	—	—
Fee income from non-qualifying courses (exclusive of VAT)	1,590	840
Total grant and fee income	<u>610,747</u>	<u>494,963</u>

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

5. OPERATING PROFIT

Operating profit or loss is stated after charging/crediting:

	2023	2022
	£	£
Depreciation of tangible assets	13,097	11,164
Impairment of trade debtors	(1,798)	916
	<u>11,299</u>	<u>12,080</u>

6. AUDITOR'S REMUNERATION

	2023	2022
	£	£
Fees payable for the audit of the financial statements	6,090	4,920
	<u>6,090</u>	<u>4,920</u>

7. STAFF COSTS

The average number of persons employed by the company during the year amounted to 3 (2022: 2).

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

	2023	2022
	£	£
Wages and salaries	23,247	16,097
Other pension costs	23,000	12,191
	<u>46,247</u>	<u>28,288</u>

8. DIRECTORS' REMUNERATION

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

	2023	2022
	£	£
Remuneration	9,096	8,935
Company contributions to defined contribution pension plans	23,000	12,081
	<u>32,096</u>	<u>21,016</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2023	2022
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

During the year the director received dividends of £83,879 (2022 - £73,173). The director received no other benefits.

9. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Interest on cash and cash equivalents	<u>252</u>	<u>4</u>

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

10. TAX ON PROFIT

Major components of tax expense

	2023	2022
	£	£
Current tax:		
UK current tax expense	24,118	9,934
Deferred tax:		
Origination and reversal of timing differences	1,144	864
Tax on profit	<u>25,262</u>	<u>10,798</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 20.79% (2022: 19%).

	2023	2022
	£	£
Profit on ordinary activities before taxation	113,952	55,482
Profit on ordinary activities by rate of tax	23,691	10,542
Effect of expenses not deductible for tax purposes	22	18
Effect of capital allowances and depreciation	1,508	238
Effect of different UK tax rates on some earnings	41	–
Tax on profit	<u>25,262</u>	<u>10,798</u>

11. DIVIDENDS

	2023	2022
	£	£
Dividends paid during the year	<u>83,879</u>	<u>73,173</u>

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

12. TANGIBLE ASSETS

	Leasehold improvements £	Books £	Website £	Equipment £	Total £
Cost					
At 1 September 2022	26,502	18,138	3,470	37,595	85,705
Additions	4,200	–	–	5,927	10,127
At 31 August 2023	<u>30,702</u>	<u>18,138</u>	<u>3,470</u>	<u>43,522</u>	<u>95,832</u>
Depreciation					
At 1 September 2022	18,923	17,582	2,665	28,067	67,237
Charge for the year	6,140	139	805	6,013	13,097
At 31 August 2023	<u>25,063</u>	<u>17,721</u>	<u>3,470</u>	<u>34,080</u>	<u>80,334</u>
Carrying amount					
At 31 August 2023	<u>5,639</u>	<u>417</u>	<u>–</u>	<u>9,442</u>	<u>15,498</u>
At 31 August 2022	<u>7,579</u>	<u>556</u>	<u>805</u>	<u>9,528</u>	<u>18,468</u>

13. DEBTORS

	2023 £	2022 £
Trade debtors	14,940	250
Prepayments and accrued income	25,533	21,650
Other debtors	94	–
	<u>40,567</u>	<u>21,900</u>

14. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	14,674	15,570
Accruals and deferred income	37,521	9,540
Corporation tax	24,118	9,934
Other creditors	15,854	26,342
	<u>92,167</u>	<u>61,386</u>

15. PROVISIONS

	Deferred tax (note 16) £
At 1 September 2022	2,338
Additions	1,144
At 31 August 2023	<u>3,482</u>

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

16. DEFERRED TAX

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

	2023	2022
	£	£
Included in provisions (note 15)	<u>3,482</u>	<u>2,338</u>

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

	2023	2022
	£	£
Accelerated capital allowances	<u>3,482</u>	<u>2,338</u>

17. EMPLOYEE BENEFITS

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £23,000 (2022: £12,191).

18. CALLED UP SHARE CAPITAL FULLY PAID

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
A Shares shares of £1 each	2	2	2	2
B Shares shares of £1 each	1	1	1	1
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

19. RESERVES

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

Profit and loss account - This reserve records retained earnings and accumulated losses.

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sep 2022	Cash flows	At 31 Aug 2023
	£	£	£
Cash at bank and in hand	<u>52,933</u>	<u>21,039</u>	<u>73,972</u>

MATRIX COLLEGE OF COUNSELLING AND PSYCHOTHERAPY LTD

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 AUGUST 2023

21. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	30,600	25,500
Later than 1 year and not later than 5 years	91,800	–
Later than 5 years	183,600	–
	<u>306,000</u>	<u>25,500</u>

22. RELATED PARTY TRANSACTIONS

The director has advanced monies to the company. At 31 August 2023 the amount due from the company was £173 (2022 - £132).

23. CONTROLLING PARTY

The ultimate controlling party of the company is Mrs F M Paul.