Charity registration number 1144041

Company registration number 05523517 (England and Wales)

TERAPIA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

TERAPIA

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D Shah R Alberto
Charity number	1144041
Company number	05523517
Principal address	Terapia Centre 17a East End Road Finchley London N3 3QE
Registered office	17a East End Road London N3 3QE
Auditor	TC Group 5th Floor 3 Dorset Rise London EC4Y 8EN
Bankers	Santander UK Plc Customer Service Centre Bootle Merseyside L30 4GB

TERAPIA

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TERAPIA

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees, who are also directors of the charitable company for the purpose of the Companies Act 2006, present their report and accounts for the year ended 31 December 2025.

The accounts have been prepared in accordance with the accounting policies set out in Note 1, the charitable company's Memorandum and Articles of Association, the Companies Act 2006 and “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 2019).

Objectives and activities

The charitable company is a registered charity which exists to provide relief of the mental and emotional distress of children, adolescents, adults, carers and families in need of professional help, through counselling, psychotherapy, training, advice and support and to advance the education of the general public in all areas relating to child, adolescent and adult counselling and psychotherapy.

Public Benefit Statement

The trustees confirm that they have complied with their duty in section 4 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

How Terapia's Activities Deliver Public Benefit

Terapia’s activities are geared to deliver public benefit in the following ways:

- by providing training for counsellors and psychotherapists, who then utilise their acquired knowledge and skills by providing a counselling and psychotherapy service for clients of differing ages and developmental backgrounds and from diverse social and cultural backgrounds who may present a wide range of emotional, developmental, social and behavioural issues;

- by offering low cost and free of charge counselling and psychotherapy to children, young people, parents and families. This comprehensive and wide-ranging service is provided pro bono by Terapia's trainees. The students' clinical work is supported by Terapia's tutors and clinical supervisors who are qualified Child and Adolescent Counsellors and Psychotherapists.

Terapia is a uniquely integrative school which, unlike most other existing training providers, explores all the leading approaches to Child Psychotherapy. The school is one of the first in the UK to offer training from this perspective. Most of the training takes place through weekly seminars, weekend lectures and tutorials. A balance of theoretical and experiential learning is offered at Terapia.

Terapia’s training function has been in operation for over 20 years. The rapid growth of the organisation provides reassurance that Terapia is filling a need for such training and services in the country.

Terapia is an organisational member of the British Association for Counselling and Psychotherapy (BACP) and an accredited member of United Kingdom Council for Psychotherapy (UKCP). The courses are also validated by the Middlesex University.

Achievements and performance

Reports of Officers and Committees
1 January 2025 to 31 December 2025

Terapia's Board of Trustees comprises volunteers who are legally responsible for the charity and ensuring the charity acts in line with its charitable purposes for the public benefit. They must ensure that the charity complies with the charities governing documents and the law and is accountable. They also oversee the management of the charity's resources.

In 2025, the Trustees comprised 5 Board members who meet on a regular basis, acting in Terapia's best interests and abiding by the principles of accountability, integrity and honesty and transparency

The Board of Trustees met regularly during 2025.

Ethics Committee Report

Terapia's Ethics and Complaints Committee is responsible for assuring the ethical conduct and principles of Terapia's students, supervisors, tutors and graduates. Its aim is to ensure that Terapia's policies and procedures are up-to-date, maintain good standards of practice in accordance with government policy and legislation as it relates to children and young persons and UKCP guidelines, and meets the needs and circumstances specific to psychotherapeutic work with children. Its main function is to assist Terapia and to resolve complicated ethical matters in a timely and respectful manner.

The Committee should consist of three members, one of which should be a child psychotherapy practitioner and one person could be an administrator employed by Terapia. We are recruiting members of the committee.

Financial review
Details of income and expenditure for the year are shown on page 12. The trustees are content with the financial position and performance of Terapia.

Incoming resources totalled £1,658,673, reflecting a year-on-year change of £136,228. The charity's management costs for the year amounted to £1,676,880, compared to £1,566,212 in 2024. Net expenditure for the year was £18,207 (2024: £43,767).

Reserves Policy
The trustees have established a policy whereby the charitable company aspires to maintain unrestricted funds equivalent to at least three months of average operating costs. The trustees also regularly monitor and review the level of free resources available to the charitable company. The total unrestricted funds at the balance sheet date were £492,773 (2024: £420,694). The restricted funds held at the balance sheet date totalled £1,638,511 (2024: £1,729,295).

Investment Policy
The trustees have considered the most appropriate policy for investing funds and this will be in bank deposit accounts which will ensure the funds are readily available at all times.

Risk Review

The trustees have conducted their own review of the major risks to which the charitable company is exposed and systems have been established to mitigate those risks. Key risks include the potential impact of cost of living pressures on student recruitment, the effect of student numbers on staffing costs, the time and resources required to manage complex student matters, recruitment and retention in certain specialist roles, and the maintenance requirements of the ageing Bothy building. These risks are mitigated through flexible staffing arrangements, close monitoring of costs and student numbers, continued investment in student recruitment and marketing, regular review of policies and procedures, and planned facilities management and maintenance.

Plans for the future

Terapia Training Branch:

- To continue to embed the new MA training program agreed with Middlesex University which started in January 2024.
- To look at new ways to increase student recruitment given recent slower uptake of the course than in previous years, likely due to higher costs of living
- To continue to recruit new core staff for the training (tutors, clinical and observation supervisors).

Terapia Clinical Services:

- To develop further and expand provision of Terapia's clinical services associated with educational training.
- To strengthen the current infrastructure of the service by reviewing existing policies.
- To carry the Whole School Approach Project (WSA) in five local schools.

Terapia Centre

- To maximise room usage at The Bothy and the new premises at Avenue House, during all times of the day by increasing number of clients.

Structure, governance and management

Terapia is a charitable company limited by guarantee without share capital.

The charitable company was incorporated on 1 August 2005 and is governed by the revised Memorandum and Articles of Association adopted by special resolution and filed with Companies House on 21 September 2011, and the Charities Act 2011. It was registered as a charity with the Charity Commission on 29 September 2011.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

K E Malyali	(Resigned 3 December 2025)
N J Rolli	(Resigned 16 February 2026)
L J Fuller	(Resigned 2 December 2025)
D Shah	
R Alberto	

Recruitment and Appointment of Management Committee

The charitable company's trustees are also directors of the charitable company for the purposes of charity law and under the Company's Articles are known as members of the Management Committee. Under the requirements of the Company's Articles the members of the Management Committee are elected to serve for a period of one year, after which, if still willing to serve, they must be re-elected at the next Annual General Meeting.

All trustee members of the Management Committee give their time voluntarily and receive no benefits from the charitable company, other than as disclosed in Notes 7 and 18 of the accounts.

Two of the trustees are Terapia trained therapists who ensure the Management Committee remains focused on the practicalities of achieving the charitable company's aims.

Governance

Corporate governance and decision making
The Board of trustees continually keeps the operation and effectiveness of the governance structure under review. Strategic and operational planning, risk management, and budget planning processes are in place and reviewed annually.

The Chief Executive Officer is responsible for the day to day running of the organisation. Her work is supported by the Training Director, Training Clinical Lead and a PA. An Academic Coordinator also provides administrative support to teaching staff and students.

All decision making of the training branch of the organisation takes place within the Training Committee. This also provides quality assurance for all aspects of the course. The committee comprises the core training staff - the CEO, Director of Training and Training Clinical Lead.

All decision making for the Therapeutic Services takes place within the Services Committee which consists of the CEO, Services Clinical Lead and the Head of School Services and Development. Terapia's organisational activities are supported by the Ethics Committee.

The regular reviews and audits conducted by the United Kingdom Council for Psychotherapy (UKCP) and Middlesex University provide assurance on Terapia's professional activities, with risk management and control systems in operation, as well as providing an input to continuous improvement processes. An Institutional Review with Middlesex University took place in 2024.

Clinical governance
Terapia's Training and Services Clinical Leads and Ethics Committee, in conjunction with internal clinical supervisors, provide a quality of service which meets the changing demands of law, regulation and standards of best practice related to child and adolescent mental health. They implement appropriate evidence based performance standards and have a regular evaluation of the service systems in place.

The Training Committee comprises the core training staff. The Training Committee is a decision-making body and provides quality assurance for all aspects of the course.

Trustee Induction and Training
Trustees are already familiar with the operational work of the charitable company, and have extended their knowledge through reading the charitable company's training and information literature as well as through discussion sessions with the CEO and other staff.

Fundraising
The Terapia Shop in North Finchley continues to raise funds for the charity. The Trustees would like to acknowledge the generosity of those who donated and bought goods and would like to thank the shop staff and volunteers who generously give up their time to help out in the charity shop, which helps to generate much needed income that's used for our charitable objectives. A second shop opened in East Finchley in August 2024 and became firmly established within the local community during 2025.

We are also grateful for financial donations and grants made. All money received will be used to further our charitable purposes, subject to restrictions imposed by the donors.

Statement of trustees' responsibilities

The trustees, who are also the directors of Terapia for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

In accordance with the company's articles, a resolution proposing that TC Group be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

D Shah
Trustee
Dated: 29 September 2026

TERAPIA

CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Founded in 2003, Terapia has grown to become one of the UK's leading providers of specialist training in child and adolescent psychotherapy and counselling. Alongside our educational programmes, we continue to deliver high-quality therapeutic services for children, young people and families.

During 2025, Terapia continued to flourish as both a successful training organisation and a provider of specialist psychotherapeutic services from our Finchley, North London centre.

Terapia Centre

Terapia is based at The Bothy, a beautiful Grade II listed building within the grounds of Stephens House and Gardens. The Bothy provides a calm, therapeutic environment dedicated to both education and the delivery of psychotherapy and counselling services for children, young people and families.

Our Child and Adolescent Psychotherapy and Counselling training is delivered in purpose-built training rooms on the ground floor. Upstairs, students undertake supervised clinical work in dedicated therapy and play therapy rooms, applying the skills they have developed with children and young people from diverse backgrounds, cultures and abilities, including those with special educational and additional needs.

In response to increasing demand for our services and the need for additional space, our Therapeutic and School Services Team is now based in offices within the Avenue House. We also deliver some training courses in a spacious and well-equipped training room in the second-floor flat at Avenue House, just a short walk from The Bothy.

Training and Student Recruitment

The MA in Child and Adolescent Psychotherapy and Counselling, has now become firmly established. The five-year programme includes a Foundation Year focused on adult counselling skills before progressing to specialist child and adolescent psychotherapy training.

The curriculum has been updated and reflects the contemporary challenges facing children and young people today, covering topics such as gaming addiction, county lines exploitation, gang involvement, cyberbullying and other emerging issues affecting mental health and wellbeing.

Recruitment throughout 2025 remained strong, with a further 40 trainees enrolling to commence the programme in January 2026, filling both daytime, evening cohorts, and ensuring another financially secure year.

Although a small number of students chose not to continue into the later stages of the programme, overall completion rates continue to improve. Where students take a break from their studies, withdraw from the course or choose to exit with a postgraduate qualification, cohort sizes remain financially sustainable through careful management of teaching and supervisory resources. We also welcome experienced adult counsellors directly into Module 1 where appropriate, although fewer places are now available due to stronger student retention. Priority is always given to Terapia students returning after an approved break in their studies.

Terapia continues to attract the majority of its students through its strong professional reputation and word-of-mouth recommendations. Recruitment is further supported through our website, advertising in professional therapy publications, information leaflets and attendance at sector events, including the Mind, Body and Spirit Festival and the BACP Private Practice Conference. We also continue to host regular open events at The Bothy, enabling prospective students to visit the centre, meet staff and learn more about our programmes.

Alongside the MA, Terapia offers an MA Conversion Course for experienced adult psychotherapists and counsellors wishing to specialise in therapeutic work with children and young people, together with a Diploma in Child, Adolescent and Adult Psychotherapy and Counselling Supervision.

Terapia Services

All therapeutic services delivered by Terapia form an integral part of our educational programmes and are provided by trainees undertaking the MA in Child and Adolescent Psychotherapy and Counselling. This enables tutors to assess students' clinical practice alongside their academic learning and supports the development of highly skilled practitioners.

Demand for therapy services remained high throughout 2025. All services continued to be delivered in person, with a consistently strong level of new referrals. By the end of the year, 155 children, young people and family members had received therapy at The Bothy through our trainee psychotherapists.

Students receive clinical supervision in small groups and are supported by our Clinical Lead with both clinical and operational matters. Our core teaching team—including Clinical Supervisors, the Director of Training, CEO and Pastoral Support Tutor—meets regularly with Terapia Services staff to review every student's clinical placement, monitor learning progress and discuss any emerging professional development needs.

Through voluntary contributions from parents and clients towards supervision costs and the maintenance of the centre, Terapia is able to offer affordable therapy to families who may otherwise be unable to access specialist support. Therapy rooms at The Bothy are also hired by independent practitioners when not in use by trainees, providing an additional source of income that supports our charitable activities.

Throughout 2025 we continued to explore opportunities to expand our services through partnership working and collaborative projects. These included ongoing work with John Lyon's Charity through the Whole School Approach project, together with continued collaboration with St Mary's and St John's School and Art Against Knives through the Hendon Collaboration Project.

Terapia School Services

Terapia School Services (TSS) continued to deliver high-quality mental health support across primary and secondary schools throughout North London and Hertfordshire during 2025. We work closely with individual schools and Terapia's therapeutic leads to ensure that therapists are well supported and that services meet the specific needs of each school community. TSS has also expanded beyond London, arranging clinical placements for students in schools across a wider geographical area.

The Whole School Approach (WSA) project, funded by John Lyon's Charity, continued to support the mental health and wellbeing of pupils across five local schools. The project is led by four Whole School Approach Leads, who work closely with schools and trainee therapists to maintain a consistently high-quality service.

By the end of 2025, 68 trainee therapists were working across 37 schools and other placement settings, providing therapeutic support to a total of 427 children and young people.

Our partner organisations include Onwards and Upwards Care Leaver Services, ARC Children's Homes (Hertfordshire), Children's School Partnership, Child in Time and Unlocking Potential.

The Bothy Charity Shops

During 2025, our second Bothy Charity Shop in East Finchley became firmly established within the local community and continues to generate valuable additional income for the charity. Our original North Finchley shop also continues to perform strongly.

In addition to raising funds, both shops play an important role in promoting Terapia's work, publicising our training programmes and supporting environmental sustainability through the reuse and recycling of donated goods.

Together, the shops employ four members of staff and benefit greatly from the commitment of our volunteers. We remain extremely grateful to everyone who donates items and gives their time to support their ongoing success.

Risks and Mitigations

Despite another successful year, with sustained demand for our services and strong student recruitment, Terapia continues to face a number of strategic and operational risks.

Terapia Training:

Key risks

- Recruitment may become more challenging as prospective students face increasing financial pressures resulting from the higher cost of living. Although all course places were filled the previous year, recruitment took longer than in previous years.
- Lower student numbers could increase pressure on staffing costs.
- Managing complex issues involving individual students continues to require significant staff time and resources.
- Recruitment and retention remain challenging for certain key staff roles and specialist teaching areas.

Mitigations

- The flexible structure of our training programme enables staffing levels, particularly contracted supervisors, to be adjusted in line with student numbers. Staffing costs are monitored carefully throughout the budgeting process.
- We have strengthened our student recruitment strategy through increased marketing activity, improved follow-up of enquiries, Google Ads and enhanced search engine optimisation (SEO). An experienced member of staff has also taken on a dedicated recruitment and marketing role.

Bothy Centre

Key risks

- Recruitment challenges for key operational roles.
- The ageing building requires increasing levels of maintenance and repair.

Mitigations

- A dedicated Facilities Manager is being appointed, and a comprehensive survey of maintenance requirements has been undertaken to prioritise essential works.

Conclusion

Since its establishment in 2003, Terapia has remained committed to improving the lives and futures of children and young people experiencing psychological distress. Through the dedication of our staff, trainees, graduates and partners, we continue to make a meaningful and lasting difference to the communities we serve.

A new Chief Executive Officer was appointed during 2026 and will take up the role in September 2026. This will therefore be my final Chief Executive's Report.

It has been an enormous privilege to lead Terapia over the past two decades. I am immensely proud of everything this organisation has achieved, of our dedicated staff, hardworking trainees and the many graduates who now support some of the most vulnerable children, young people and families across the UK. My special thank you goes to all members of the Operational Staff and to all the Trustees under the leadership of Chair of The Board Dipen Shah. I leave knowing that Terapia is in a strong position to continue its important work and to build on the foundations we have created together.

Bozena Merrick

Chief Executive Officer, Terapia

Dated:

TERAPIA

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TERAPIA

Opinion

We have audited the financial statements of Terapia (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including 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 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant are those that relate to the reporting framework being the 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 (FRS102), the charitable company's Memorandum and Articles of Association, the Charities Act 2011, and the safe guarding legislation.

- We understood how the Charity is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.

- We assessed the susceptibility of the Charities's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the entity. We tested completeness of income through substantive tests performed and cut off tests on the revenue recognised.

- The Charity is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF TERAPIA

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group 29 September 2026

Statutory Auditor

5th Floor
3 Dorset Rise
London
EC4Y 8EN

TC Group is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

TERAPIA

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	**Unrestricted funds 2025** £	**Restricted funds 2025** £	**Total 2025** £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	**2**	322	-	322	-	-	-
Charitable activities	**4**	1,444,737	23,891	1,468,628	1,379,630	9,600	1,389,230
Other trading activities	**3**	185,830	-	185,830	129,213	-	129,213
Bank interest		3,893	-	3,893	4,002	-	4,002
Total income		1,634,782	23,891	1,658,673	1,512,845	9,600	1,522,445
Expenditure on:							
Charitable activities	**5**	1,562,205	114,675	1,676,880	1,437,085	129,127	1,566,212
Net income/(expenditure) for the year/ Net movement in funds		72,577	(90,784)	(18,207)	75,760	(119,527)	(43,767)
Fund balances at 1 January 2025		420,196	1,729,295	2,149,491	344,436	1,848,822	2,193,258
Fund balances at 31 December 2025		492,773	1,638,511	2,131,284	420,196	1,729,295	2,149,491

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TERAPIA

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Property, plant and equipment	**11**		1,562,939		1,588,816
Current assets					
Trade and other receivables	**12**	157,274		251,547	
Cash at bank and in hand		605,672		548,286	
		762,946		799,833	
Current liabilities	**13**	(194,601)		(239,158)	
Net current assets			568,345		560,675
Total assets less current liabilities			2,131,284		2,149,491
Income funds					
Restricted funds	**15**		1,638,511		1,729,295
Unrestricted funds					
Designated funds	**16**	3,206		6,206	
General unrestricted funds		489,567		413,990	
			492,773		420,196
			2,131,284		2,149,491

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 29 September 2026

D Shah
Trustee

R Alberto
Trustee

Company Registration No. 05523517

TERAPIA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**20**		60,745		78,045
Investing activities					
Purchase of property, plant and equipment		(7,252)		(9,601)	
Interest received		3,893		4,002	
Net cash used in investing activities			(3,359)		(5,599)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			57,386		72,446
Cash and cash equivalents at beginning of year			548,286		475,840
Cash and cash equivalents at end of year			605,672		548,286

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Accounting policies

Charity information

Terapia is a private company limited by guarantee incorporated in England and Wales. The registered office is at 17a East End Road, London, N3 3QE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles, the Companies Act 2006 and "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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, as course enrolments for 2026 and beyond are budgeted to continue to cover the charitable company's stable cost base. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Restricted funds

Restricted funds are to be used for the specific purpose as laid down by the donor. Expenditure which meets this criteria is charged to the fund, together with a fair allocation of management and support costs, where applicable.

Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated from the objects of the charity without further specified purpose and are available as general funds.

Designated funds

Designated funds are set aside out of unrestricted funds by the trustees for specific purposes.

1.4 Income

Incoming resources from training, the associated delivery of services and related activities, and room rent is included on the Statement of Financial Activities when receivable.

Voluntary income received by way of donations and gifts is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers has not been included.

Goods donated to the charity shop are recognised at their fair value when material, however where it is not possible to assess the value of goods donated, as they are low value items which cannot be reliably measured, no income is recognised until the goods are sold.

Other income includes income from fundraising events organised by the charity.

1 Accounting policies **(Continued)**

Charitable grants, including any grants for the purchase of fixed assets, are recognised in the statement of Financial Activities in the year in which they are receivable. For grants or donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the grant or donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfillment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Outgoing resources are recognised in the period in which they are incurred. Resources expended include any attributable VAT which cannot be recovered. Support costs are allocated between charitable activities based on the percentage of total costs.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

The Bothy	Over the 75 year period of the lease
Leasehold improvements	Over the 5 year period of the lease
Fixtures, fittings & equipment	20% per annum on a reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of non-current assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1 Accounting policies **(Continued)**

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	322	-

3 Other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Shop income	185,830	129,213

4 Charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £
Educational course fees and services	1,347,006	23,891	1,370,897	9,600	1,280,700	1,290,300
Room hire	97,257	-	97,257	-	98,620	98,620
Other income	474	-	474	-	310	310
	1,444,737	23,891	1,468,628	9,600	1,379,630	1,389,230
Analysis by fund						
Unrestricted funds	1,444,737	-	1,444,737	-	1,379,630	1,379,630
Restricted funds	-	23,891	23,891	9,600	-	9,600
	1,444,737	23,891	1,468,628	9,600	1,379,630	1,389,230

5 Charitable activities

	Direct Training costs	Fundraising costs	The Bothy Renovation work	Whole School Approach	Hendon Collaboration Project	The Underprivileged Children's Fund	Total 2025	Total 2024
	2025	2025	2025	2025	2025	2025		
	£	£	£	£	£	£	£	£
Staff costs	124,091	70,356	-	27,320	7,007	-	228,774	198,145
Direct expenditure	548,886	83,464	23,093	37,573	18,952	730	712,698	688,085
	672,977	153,820	23,093	64,893	25,959	730	941,472	886,230
Support and governance costs (see note 8)	598,590	136,818	-	-	-	-	735,408	679,982
	1,271,567	290,638	23,093	64,893	25,959	730	1,676,880	1,566,212
Analysis by fund								
Unrestricted funds	1,271,567	290,638	-	-	-	-	1,562,205	1,437,085
Restricted funds	-	-	23,093	64,893	25,959	730	114,675	129,127
	1,271,567	290,638	23,093	64,893	25,959	730	1,676,880	1,566,212

5 Charitable activities **(Continued)**

For the year ended 31 December 2024

	Direct Training costs	Fundraising costs	The Bothy Renovation work	Whole School Approach	Hendon Collaboration Project	The Underprivileged Children's Fund	Total 2024
	£	£	£	£	£	£	£
Staff costs	103,638	46,544	-	27,622	20,341	-	198,145
Direct expenditure	520,595	86,326	23,093	36,493	20,118	1,460	688,085
	624,233	132,870	23,093	64,115	40,459	1,460	886,230
Share of support costs (see note 8)	560,647	119,335	-	-	-	-	679,982
	1,184,880	252,205	23,093	64,115	40,459	1,460	1,566,212
Analysis by fund							
Unrestricted funds	1,184,880	252,205	-	-	-	-	1,437,085
Restricted funds	-	-	23,093	64,115	40,459	1,460	129,127
	1,184,880	252,205	23,093	64,115	40,459	1,460	1,566,212

6 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	13,200	12,600
Depreciation of owned property, plant and equipment	33,057	32,568
Loss on disposal of property, plant and equipment	72	-

7 Trustees

During this year and the previous year, no amounts were re-imbursed to trustees.

None of the current trustees are remunerated by the charity.

8 **Support and governance costs**

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff wages and salaries	264,962	-	264,962	231,851	-	231,851
CEO remuneration	97,526	-	97,526	100,176	-	100,176
Social security	61,340	-	61,340	48,859	-	48,859
Pensions	11,567	-	11,567	59,877	-	59,877
Rent	52,021	-	52,021	47,201	-	47,201
Insurance	9,632	-	9,632	7,937	-	7,937
Repairs and maintenance	4,045	-	4,045	9,751	-	9,751
Advertising and marketing	39,157	-	39,157	35,781	-	35,781
Recruitment costs	16,837	-	16,837	660	-	660
Computer costs	24,657	-	24,657	23,015	-	23,015
Provision for doubtful debts	12,058	-	12,058	4,308	-	4,308
Postage and stationery	16,478	-	16,478	15,116	-	15,116
Telephone and fax	717	-	717	796	-	796
Motor expenses	2,057	-	2,057	2,093	-	2,093
Travelling expenses	2,661	-	2,661	2,726	-	2,726
Legal and professional fees	35,324	-	35,324	9,555	-	9,555
Auditor's remuneration	-	13,200	13,200	-	12,600	12,600
Accountancy	5,068	-	5,068	10,745	-	10,745
Sundry expenses	16,060	-	16,060	13,118	-	13,118
Subscriptions	5,043	-	5,043	2,808	-	2,808
Bank charges	8,869	-	8,869	8,441	-	8,441
Depreciation	33,057	-	33,057	32,568	-	32,568
Loss on disposal of fixed asset	72	-	72	-	-	-
Student funding	3,000	-	3,000	-	-	-
	722,208	13,200	735,408	667,382	12,600	679,982

9 Employees

The average monthly number of employees, excluding the trustees, during the year was:

	2025 Number	2024 Number
Employees	17	16

Employment costs	2025 £	2024 £
Wages and salaries	591,262	530,172
Social security costs	61,340	48,859
Other pension costs	11,567	59,877
	664,169	638,908

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£90,001 - £100,000	1	-
£100,000 - £110,000	-	1

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025 £	2024 £
Remuneration	112,306	151,497

10 Taxation

No liability arises as the charitable company is a registered charity and is therefore exempt from taxation on the income arising from its normal activities.

11 Property, plant and equipment

	The Bothy	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2025	1,730,447	20,190	75,618	1,826,255
Additions	-	-	7,252	7,252
Disposals	-	-	(161)	(161)
At 31 December 2025	1,730,447	20,190	82,709	1,833,346
Depreciation and impairment				
At 1 January 2025	180,227	6,075	51,137	237,439
Depreciation charged in the year	23,093	4,038	5,926	33,057
Eliminated in respect of disposals	-	-	(89)	(89)
At 31 December 2025	203,320	10,113	56,974	270,407
Carrying amount				
At 31 December 2025	1,527,127	10,077	25,735	1,562,939
At 31 December 2024	1,550,220	14,115	24,481	1,588,816

12 Trade and other receivables

	2025	2024
Amounts falling due within one year:	£	£
Trade receivables	57,517	67,423
Prepayments and grant debtors	99,757	130,424
	157,274	197,847

	2025	2024
Amounts falling due after more than one year:	£	£
Prepayments and grant debtors	-	53,700
Total debtors	157,274	251,547

13 Current liabilities

	2025	2024
	£	£
Other taxation and social security	16,757	15,662
Trade payables	22,822	25,637
Other payables	2,548	1,758
Accruals and deferred income	152,474	196,101
	194,601	239,158

Included in creditors is deferred income of £99,354 (2024: £150,627) which relates to 2026 course fees received in advance.

14 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £11,567 (2024 - £59,877).

15 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
The Bothy renovation work	1,550,220	-	(23,093)	1,527,127
The Underprivileged Children's fund	990	-	(730)	260
Whole School Approach	109,085	23,891	(64,893)	68,083
The Hendon Collaboration Project	69,000	-	(25,959)	43,041
	1,729,295	23,891	(114,675)	1,638,511

Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
The Bothy renovation work	1,573,313	-	(23,093)	1,550,220
The Underprivileged Children's fund	2,450	-	(1,460)	990
Whole School Approach	163,600	9,600	(64,115)	109,085
The Hendon Collaboration Project	109,459	-	(40,459)	69,000
	1,848,822	9,600	(129,127)	1,729,295

15 Restricted funds **(Continued)**

The Bothy restricted fund relates to specific donations received for the purpose of renovating a property which has been leased to the Charity on a long-term basis to be used in connection with the charity's purpose of providing a therapeutic centre for children, young adults and their families.

The Underprivileged Children's fund is used to enable young people and their families to access the therapeutic services associated with educational courses.

The Whole School Approach fund is used to provide holistic therapeutic services, associated with educational courses, to entire school communities. This has been primarily funded by a grant from John Lyon's Charity beginning in 2021 which was pledged to contribute £133,000 over three years. Another grant from John Lyon's Charity was pledged in 2023, to contribute £163,600 over a further 3 years, commencing December 2023.

The Hendon Collaboration Project fund is used to provide holistic therapeutic services, associated with educational courses, to disadvantaged students at St Mary's and St John's CE School. This has been primarily funded by a separate grant from John Lyon's Charity, which was pledged to contribute £120,500 over 3 years, commencing September 2024.

16 Unrestricted and designated funds

The unrestricted funds of the charity comprise the unexpeded balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
Student Funding Scheme	6,206	-	(3,000)	3,206
General funds	413,990	1,634,782	(1,559,205)	489,567
	420,196	1,634,782	(1,562,205)	492,773

Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
Student Funding Scheme	6,206	-	-	6,206
General funds	338,230	1,512,845	(1,437,085)	413,990
	344,436	1,512,845	(1,437,085)	420,196

17 Analysis of net assets between funds

	Unrestricted funds 2025 £	**Restricted funds 2025 £**	**Total 2025 £**	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 December 2025 are represented by:						
Property, plant and equipment	35,812	1,527,127	1,562,939	38,596	1,550,220	1,588,816
Net current assets	456,961	111,384	568,345	381,600	179,075	560,675
	492,773	1,638,511	2,131,284	420,196	1,729,295	2,149,491

18 Related party transactions

J Block, a previous trustee of Terapia and spouse of a member of key management, is also a director and shareholder of Head Teacher Research Limited. During the year ended 31 December 2025 the charitable company paid £4,173 (2024: £6,289) for supplies and services from Head Teacher Research Limited.

N Rolli, a trustee of Terapia during the year, provided teaching to two groups of students. During the year she received £1,910 (2024: £1,700) for services rendered.

L Fuller, a trustee of Terapia during the year provided clinical supervision to two groups of students. During the year she received £8,990 (2024: £2,490) for services rendered.

19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	**2024 £**
Within one year	87,442	87,079
Between two and five years	165,483	237,932
In over five years	-	9,464
	252,925	334,475

20	Cash generated from operations	2025 £	2024 £
	Deficit for the year	(18,207)	(43,767)
	Adjustments for:		
	Interest received	(3,893)	(4,002)
	Loss on disposal of property, plant and equipment	72	-
	Depreciation of property, plant and equipment	33,057	32,568
	Movements in working capital:		
	Decrease in trade and other receivables	94,273	83,500
	(Decrease)/increase in trade and other payables	(44,557)	9,746
	Cash generated from operations	60,745	78,045

21 Analysis of changes in net funds

The charity had no material debt during the year.