

**REGISTERED COMPANY NUMBER: 4004500 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1081116**

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31st March 2017  
for  
Solent Mind**

**Contents of the Financial Statements  
for the Year Ended 31st March 2017**

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**Report of the Trustees  
for the Year Ended 31st March 2017**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

4004500 (England and Wales)

**Registered Charity number**

1081116

**Registered office**

15-16 The Avenue  
Southampton SO17 1XF

**Trustees**

Ros Cassy OBE	Chair
Richard Coundley	Vice Chair from 26.10.16
Clare Duncan	
Peter Hanlon	Treasurer
Fiona Hartfree	
Chris Martin	
Bryan Palmer	
Julie Todd	
Jack Wiseman	
Matthew York	To 26.10.16

**Company Secretary**

Kevin Gardner

**Senior Statutory Auditor**

P E H Wright FCA DChA

**Independent auditors**

Sheen Stickland  
Chartered Accountants  
Statutory Auditors  
7 East Pallant  
Chichester  
West Sussex  
PO19 1TR

## Solent Mind

### Report of the Trustees for the Year Ended 31st March 2017

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Solent Mind is a company limited by guarantee, as well as a registered charity. The charity was created in 1962, and the company was created in 2000.

The written constitution and governing document is the Memorandum and Articles of Association, which was last amended in 2016.

Solent Mind created a subsidiary, Mayfield Nurseries, also a company limited by guarantee (6808517) and a registered charity, in February 2009. These Financial Statements cover both Mayfield and Solent Mind.

In 2012 Solent Mind, together with local children's charity the Rose Road Association, created Solent Support Solutions to manage each of our finances. Solent Support Solutions employs our Director of Finance, and Solent Mind's Chief Executive and Treasurer are both Directors of the Company.

Recruitment and appointment of Trustees / Directors:

When vacancies arise, new trustees are recruited through targeted advertising, in which applicants are asked to describe how their skills and experiences match the person specification and role description. They are then interviewed by the Chair or their deputy and the Chief Executive. Where it is agreed to proceed, they are invited to attend a number of meetings of the Trustee Board and then to apply to become members of Solent Mind prior to being formally co-opted as trustees and directors. Co-optees then stand down at the next AGM and are subject to election by the membership of Solent Mind, alongside the one-third of current Trustee Board members who are required to retire by rotation.

#### Administration Information

The day to day management of the organisation is delegated to the Chief Executive, Kevin Gardner, who is also the designated Company Secretary. Mr Gardner commenced in role on 1 April 2017, and his predecessor, Richard Barritt, was Chief Executive and Company Secretary for the period covered by this Report.

The Senior Management Team is made up of the Chief Executive, the Director of Finance and IT (Neil Evans), the Director of Services (Malcolm Barrett and Di Kitson – job share), the Director of Human Resources (Debbie Prince) and the Director of Business Development (Melanie Parker, from June 2016).

The following provided services to the charitable company during 2016-17:-

Auditors:

Sheen Stickland, 7 East Pallant, Chichester, West Sussex, PO19 1TR

Bankers:

Unity Trust Bank, 9 Brindleyplace, Birmingham, B1 2HB.

Handelsbanken, 3 Charlton Crescent, Southampton SO15 2EY

Solicitors:

Blake Morgan LLP, Harbour Court, Compass Road, North Harbour, Portsmouth, PO6 4ST

Moore Blatch, 11 The Avenue, Southampton, SO17 1XF

In January the Board appointed Lester Aldridge in place of Blake Morgan as their legal advisers on non-property matters

#### Structure, Governance and Management

Trustee / Director training and appraisal

The Trustees / Directors allocate an away day once a year (to be increased to twice a year in 17/18) for their own training, and take the opportunity to undertake other training and attend conferences. New trustees receive an induction which includes visits to projects to meet staff and service users and hear about Solent Mind's work, and they join and participate fully in staff induction days.

## Solent Mind

### Report of the Trustees for the Year Ended 31st March 2017

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The organisation is managed through a Trustee Board which meets every two months, with Sub Committees for Audit, Finance and Remuneration, Strategy and Development, and People and Quality. The Trustees are also Directors of the Company. The Trustees / Directors are ultimately responsible for all the operational activities and developments of the organisation. They have a particular responsibility for setting the strategic direction and agreeing and monitoring the impact of policies and practice and have established systems for trustee appraisal and link trustees for each service area. Terms of Reference for the Board and each Sub Committee are reviewed annually. The responsibilities of managers and staff for day to day operations are set out in Solent Mind's Delegated Authority Procedures.

Affiliation to Mind, the national association for mental health:

Solent Mind is affiliated to Mind, the national mental health charity, as a Local Mind Association through a Community Partnership Agreement under which all local Minds now operate. There is no financial or managerial connection beyond the payment of the membership fee. The Partnership Agreement with Mind enables us to determine our own policies and activities locally. Solent Mind retains Level 3, the highest quality mark under Mind's quality framework, "Mind Quality Management".

We share broadly the same charitable objects as other Local Mind Associations. Locally, Solent Mind, Havant and East Hampshire Mind and Andover Mind all work closely in contract relationships in delivering both advocacy and wellbeing services in Hampshire.

Solent Mind takes advantage of Mind publicity, information and training as well as practical measures such as the block insurance policy. We also join with Mind in national campaigning events and initiatives.

Risk Assessment:

Amongst our tools for managing risk, the Risk Table sets out how different risks are assessed in terms of probability and significance, what remedial action is in place, and what level of residual risk we have accepted. Our top 3 risks relate to the loss or reduction of contract income, the achievement of contract compliance, and the loss of senior staff.

Volunteers:

Between 90 and 100 volunteers worked alongside 200 staff in 2016/17. We estimate they worked more than 14,000 hours in the year, mainly in Advocacy, Mayfield and our Wellbeing services. We find that volunteers, once with us, tend to become involved in other aspects of Solent Mind work. Some volunteers go on to become employees of Solent Mind. Their value to Solent Mind and the people we serve is immense.

### Objectives and Activities

The objects of Solent Mind as set out in our Memorandum of Association are:

"to promote the preservation of mental health and to assist in relieving and rehabilitating persons suffering from mental disorder or conditions of emotional or mental distress, requiring advice or treatment principally in Southampton and also in Hampshire the Channel Islands and bordering areas in association with Mind and in accordance with the aims and objects of Mind".

Solent Mind's 2020 Vision sets out what we want to achieve over the next 3- 4 years:

1. Everyone with a mental health issue trusts Solent Mind to be on their side, and able to support them or to find support for them
2. Everyone supported by Solent Mind knows how they can achieve good mental wellbeing
3. People with lived experience share the power to design, deliver and lead mental health services

The Basic Purpose of Solent Mind

We provide advice and support to empower anyone experiencing a mental health problem. We campaign to improve services, raise awareness and promote understanding of mental health.

## Solent Mind

### Report of the Trustees for the Year Ended 31st March 2017

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#### Significant activities

We are an established provider of mental health services, and during 2016-17 provided support across 8 main groups of services and activities:

	<b>Main features</b>
Advocacy	Community advocacy, Independent Mental Capacity Advocacy (IMCA) Independent Mental Health Advocacy (IMHA) Care Act, Paid Representatives, Deprivation of Liberty Safeguards
Talking Therapies	Low intensity psychological therapies across most of Hampshire via sub-contract with Southern Health NHS Foundation Trust
Home-Based Support and Older Persons Support	Targeted ("floating") support for living independently Reablement support following diagnosis of dementia
Support and Recovery	Employment Support Peer Support Education Support, Time and Recovery Wellbeing
Wellbeing	Provision of services with an emphasis on integration. Includes physical and mental wellbeing, practical skills, community development, and horticultural therapy/ gardening on prescription
Peer Support	'Support with inspiration' provided by people with lived experience of mental health issues
Outreach and Education	Targeted work with young people and engagement with the wider communities we work within
Carers Support	Direct provision of information and support through Carers Support Workers placed within mental health teams

Solent Mind works in Southampton, across Hampshire, and in Portsmouth. Our services are broad and far-reaching, offering support to those in greatest need, and treatment to people with mild to moderate depression and anxiety.

We also continue to work in settings where people are at their most vulnerable, including acute and secure hospitals. And we specifically target those who fare worst in the mental health system, including minority communities.

The Trustees considered the public benefit requirements set out by the Charity Commission and have concluded that the following descriptions of Solent Mind's achievements, performance and plans fully demonstrate how our work benefits people with mental health issues.

### **Achievements and Performance 2016/17**

A year in numbers;

- Volunteers gave 7,816 hours to Mayfield Nurseries over the past year
- Over 44,000 people visited our website
- Our Heads Up team visited 5,818 young people in schools and colleges
- 766 referrals were made to our Portsmouth Employment Service
- Our Wellbeing Centres helped 1,866 people
- 13,920 people supported through italk talking therapies
- Our Advocacy Service took over 2,800 referrals
- Floating Support received 275 new referrals
- We supported over 200 carers.
- 150 people have signed up to our Dementia Friends Information sessions in Portsmouth

Partnerships are seen as essential to the achievement of our aims. Building on our partnership with Choices Advocacy in providing advocacy services in Southampton, we acted together with additional partners (including Speakeasy, Havant and East Hampshire Mind) to provide statutory advocacy services across Hampshire. The service is provided under contract with Hampshire County Council and will be delivered through a new community interest company.

In partnership arrangements with Solent NHS Trust and Portsmouth City Council, we have developed a number of services that together provide Support and Recovery across Portsmouth City. This includes peer support and recovery services at St Mary's Hospital, employment advice to those using the IAPT (improving access to psychological therapies) service, the Recovery College at Highbury College, and the opening of a new Wellbeing Centre in Southsea.

The Board of Trustees agreed to invest in new service development through the provision of the Up Turn service to children and young people in the Fareham and Gosport areas. This has involved staff with lived experience visiting schools to raise awareness of the impact of mental health issues in formative years, and assist young people to develop their own strategies to manage this. Investment from reserves has also been made in a new Head of Service position with strategic responsibility for the development of Peer Support. The Board recognizes that these investments contributed to the deficit for the year but view them as a long term strategy to consolidate our strengths and to meet our vision for 2020.

We were very disappointed to lose the contract with Southampton City Council for the floating and home support service which we have delivered since 2004. We partnered with local housing and substance misuse charity the Society of St James in bidding for the new tender but were unsuccessful due to a lower price bid (from a much larger organisation) being accepted by the City Council. This is one example of the acute pressure on resources being felt by commissioners (particularly local authorities). In such a competitive market place we are being asked to bid for work on very tight margins and will make case by case judgments on whether tendering for specific programmes is in the charity's long term interest. The floating support team who have been outstanding in their work over the years will transfer to the new organisation by the end of June 2017.

Alongside these pressures we have celebrated strong performance in our Wellbeing Centres and in the Support and Recovery work in Portsmouth and we look to consolidate on these successes next year.

In order to diversify our income we have invested in a small fundraising team who have made a good start in raising money through grants, trusts, community events and corporate sponsorships. We have been chosen by Ordnance Survey, The Southern Co-operative and West Quay Shopping Centre as their charity partner. Not only do they raise money for us, but we are able to offer workplace wellbeing training to them and their staff from our expert staff. These are proving to be mutually beneficial relationships.

### **Plans for 2017/18 and beyond**

All our plans are designed to achieve our vision to be the most trusted of organisations, to promote wellbeing and for people with lived experience to be shaping our work. Our focus for 2017/2018 will be on:

- Continuing to develop our strategic partnership with Southern Health NHS Foundation Trust, and in particular the smooth implementation of arrangements for provision of iTalk services
- Continuing to develop our strategic partnership with Solent NHS Trust in Portsmouth, as we explore the extent to which our practical, community focussed skills can complement their clinical expertise.
- Establishment of new arrangements for provision of Wellbeing Centres, in partnership with neighbouring Local Minds and Hampshire County Council
- Ensuring the smooth transfer of the Floating Support Service to a new incoming provider, to protect the interests of staff and service users, and accommodating the budgetary impact of this change
- Developing a greater role for the organization in achieving its aims through influencing and lobbying
- During the Government's continuing austerity programme, to continue to move towards raising a greater proportion of our funds from independent sources to reduce reliance on income from contracts with public authorities
- Ensure diversity is a live consideration in everything we do
- Building on Side by Side and Hub work, the continuing promotion of Peer Support as an essential component of mental health commissioning
- Developing a new strategy for provision of support to children and young people
- Develop a digital strategy in respect of fund raising, service delivery, marketing and communications
- Continuing to develop the effectiveness of our governance arrangements, in particular the role of the Board in meeting the challenges of the new fundraising regulations



## Solent Mind

### Report of the Trustees for the Year Ended 31st March 2017

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#### Financial review

##### Basis of accounting

The annual financial statements of the Solent Mind group are attached to this report. The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Consolidated financial statements have been prepared to incorporate the results of Mayfield Nurseries – Solent Mind's 100% owned subsidiary charitable company.

##### Review of the year

##### Net Incoming Resources before transfers for the year

Total Net Outgoing Resources (includes investments from reserves) for the year the group amounted to (£118,059).

During the year Solent Mind invested from its reserves into the following services;

• Upturn Service	£31,737
• Peer Support – Strategic Development	£10,835
• Marcella House	£885
• Winchester / Eastleigh Wellbeing Service	£24,508

Total investment from reserves (€67,965)

The operating deficit for the year amounted to (£50,094) this represents 0.84% of Incoming Resources for the year

**Total Net Outgoing Resources (€118,059)**

Also Included in the Total Net Outgoing Resources for 2016/17 is the £8,806 surplus made by Mayfield Nurseries.

##### Incoming Resources for the Year

Gross income for the group for the year totalled £5,934,664 an increase of £3,344 last year (15/16).

The principal funding sources are derived from contract and grant income which accounts for 95% or £5,661,213 of Solent Mind group's total income. The vast majority of funding is through service contracts with NHS and local authorities which are typically between one and three years. This provides Solent Mind with financial stability over the medium term and allows for greater planning certainty and decision making.

Mayfield Nurseries gross income for the year totalled £235,261 an increase of £15,074 or 6.85% on last year (15/16) despite losses in contractual income overall income rose due to increases in both plant sales and volunteer income.

##### Resources Expended

Resources expended for the year totalled £6,047,987, an increase of £87,519 on last year (15/16).

Charitable Activities expenditure accounted for 97.45% or £5,893,792 of the Solent Mind's total resources expended.

##### Capital Expenditure

Solent Mind's group capital expenditure for the year amounted to £87,330 compared to (15/16) £316,369.

##### Funds

Total funds as at 31<sup>st</sup> March 2017 stand at £2,294,345, of which £1,447,027 relates to unrestricted funds, £196,800 relates to restricted funds and £650,518 relates to permanent endowment funds.

## **Solent Mind**

### **Report of the Trustees for the Year Ended 31st March 2017**

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#### **Reserve Policy**

Solent Mind is keenly aware of the need to secure its viability beyond the immediate future. To enable the charity to provide reliable services or funding over the longer term, Solent Mind must be able to absorb setbacks and to take advantage of change and opportunity.

The charity provides for this by putting aside, when it can afford it, some of its current income as reserves against future uncertainties.

It is prudent to set aside reserves to cover future potential liabilities, but also to have funds available to take advantage of any opportunities that may come the way of the charity.

Solent Mind's Trustee Board has considered the adequacy of its reserves held on 31<sup>st</sup> March 2017, in line with its policy to do so on an annual basis following detailed scrutiny and recommendations by its Audit, Finance and Remuneration Committee, which itself is guided by the Charity Commission guidance on charity reserves.

The charity needs reserves to enable it to continue as a going concern. The Trustee Board consider the reserves held on the balance sheet to be at an adequate level to meet their responsibilities and commitments, protect and advance its current activities and to enable it to progress its long term aims and objectives which are outlined in the Organisational Plan.

Solent Mind's reserves include unrestricted, restricted and permanent endowment funds. Unrestricted funds held by Solent Mind total £1,447,027, of which £988,929 relates to fixed assets held in general and revaluation reserves and £278,743 has been designated for particular purposes. A further £179,355 is held in the general infrastructure reserve. The general infrastructure reserve is to be used to cover unforeseen losses in central income used to support Solent Mind's infrastructure.

Restricted funds total £196,800 of which £49,041, set aside in a Property Maintenance Reserve, relates to a cash donation from MJB Charitable Trust to be used specifically for major repairs and improvements on the properties transferred. £28,710 is held in the Marcella House Legacy Reserve to be used specifically for the Marcella House Project. £38,002 is held in the MJB Charitable Trust Funded Projects Reserve to be used specifically for projects funded by the Trust. £81,047 relates to funds from the merger with Fareham and Gosport Mind and is to be used in the Fareham and Gosport area only.

Permanent Endowment funds total £650,518 - this relates to the MJB Charitable Trust donation in 2006/07 and includes three properties that were transferred. Note 22 in the financial statements gives further explanation of the reserves held by Solent Mind and the movements within the year on each reserve.

#### **Investment Policy**

The Audit, Finance and Remuneration Committee does not consider it prudent at this stage to invest income for the longer term. Its policy for investment is therefore to retain funds as cash and place them on bank deposit at the best rate obtainable.

#### **Information provided to Auditors**

All of the current Directors have taken all the necessary steps that they ought to, in order to make themselves aware of any relevant information (as defined by Section 418 of the Companies Act 2006) needed by the charitable company's auditors for the purposes of their audit. The Directors are not aware of any relevant audit information of which the auditors are unaware.

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Solent Mind for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

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

In so far as the trustees are aware:

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

**AUDITORS**

The auditors, Sheen Stickland, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on ..... 13 SEPTEMBER 2017 ..... and signed on its behalf by:



.....  
K R Gardner - Secretary

## Report of the Independent Auditors to the Members of Solent Mind

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We have audited the financial statements of Solent Mind for the year ended 31st March 2017 on pages 13 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page two, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2017 and of its incoming resources and application of resources, including its result, 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.

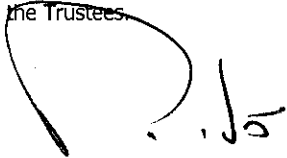
### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small company's regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

  
P E H Wright FCA DChA (Senior Statutory Auditor)  
for and on behalf of Sheen Stickland  
Chartered Accountants  
Statutory Auditors  
7 East Pallant  
Chichester  
West Sussex  
PO19 1TR

Date: 2<sup>nd</sup> September 2017

Solent Mind

**Statement of Financial Activities  
for the Year Ended 31st March 2017**

		Group			2017	2016
	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
		£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	82,996	9,066	-	92,062	74,897
<b>Charitable activities</b>						
Employment & IAPT	5	2,367,186	-	-	2,367,186	2,237,407
Portsmouth		536,181	-	-	536,181	500,921
Home Based		653,933	-	-	653,933	712,483
Peer Support		67,078	-	-	67,078	197,554
Advocacy		915,169	-	-	915,169	891,659
Wellbeing		975,116	71,457	-	1,046,573	1,028,773
Therapy and Training		73,009	-	-	73,009	101,016
Other Charitable Activities		2,084	-	-	2,084	46,739
<b>Other trading activities</b>						
Plant and Cafe Sales	3	125,336	-	-	125,336	108,867
Fundraising and Other Income		53,888	-	-	53,888	25,543
Investment income	4	2,165	-	-	2,165	5,461
<b>Total</b>		<b>5,854,141</b>	<b>80,523</b>	<b>-</b>	<b>5,934,664</b>	<b>5,931,320</b>
<b>EXPENDITURE ON</b>						
Raising funds	6	154,195	-	-	154,195	145,683
<b>Charitable activities</b>						
Employment & IAPT	7	2,474,037	-	-	2,474,037	2,332,122
Portsmouth		492,108	-	-	492,108	402,055
Home Based		648,130	-	-	648,130	582,772
Peer Support		88,697	-	-	88,697	207,187
Advocacy		964,808	-	-	964,808	887,036
Wellbeing		1,031,296	107,181	9,482	1,147,959	1,080,406
Therapy and Training		68,796	9,066	-	77,862	101,444
Other Charitable Activities		191	-	-	191	221,763
<b>Total</b>		<b>5,922,258</b>	<b>116,247</b>	<b>9,482</b>	<b>6,047,987</b>	<b>5,960,468</b>

<b>NET INCOME</b>	(68,117)	(35,724)	(9,482)	(113,323)	(29,148)
<b>Other recognised gains/(losses)</b>					
Revaluation of Fixed Assets	-	-	-	-	308,663
Actuarial gains/(losses) on defined benefit schemes	(4,736)	-	-	(4,736)	(18,106)
<b>Net movement in funds</b>	(72,853)	(35,724)	(9,482)	(118,059)	261,409
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>	1,519,880	232,524	660,000	2,412,404	2,150,995
<b>TOTAL FUNDS CARRIED FORWARD</b>	1,447,027	196,800	650,518	2,294,345	2,412,404

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

Balance Sheet

At 31st March 2017

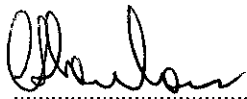
	Notes	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
<b>FIXED ASSETS</b>					
Tangible assets	12	1,956,531	2,006,380	1,952,276	1,998,568
<b>CURRENT ASSETS</b>					
Stock	13	37,668	33,731	-	-
Debtors	14	617,311	684,720	609,076	681,146
Cash at bank		845,556	1,025,358	783,494	971,185
<b>TOTAL CURRENT ASSETS</b>		<b>1,500,535</b>	<b>1,743,809</b>	<b>1,392,570</b>	<b>1,652,331</b>
<b>CREDITORS - Amounts falling due within one year</b>					
Creditors	15	(443,462)	(391,413)	(431,338)	(375,056)
Deferred income	16	(273,889)	(412,993)	(252,999)	(400,460)
Mortgage	17	(19,777)	(18,774)	(19,777)	(18,774)
<b>NET CURRENT ASSETS</b>		<b>763,407</b>	<b>920,629</b>	<b>688,456</b>	<b>858,041</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,719,938</b>	<b>2,927,009</b>	<b>2,640,732</b>	<b>2,856,609</b>
<b>CREDITORS - Amounts falling due after more than one year</b>					
Deferred income	16	-	(63,462)	-	(63,462)
Mortgage	17	(291,223)	(312,037)	(291,223)	(312,037)
<b>PROVISIONS FOR LIABILITIES</b>	20	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(50,000)</b>
<b>PENSION LIABILITY</b>	23	<b>(84,370)</b>	<b>(89,106)</b>	<b>(84,370)</b>	<b>(89,106)</b>
<b>NET ASSETS</b>		<b>2,294,345</b>	<b>2,412,404</b>	<b>2,215,139</b>	<b>2,342,004</b>
<b>FUNDS</b>					
Unrestricted funds	22	1,126,072	1,198,925	1,046,866	1,128,525
Revaluation Reserve		320,955	320,955	320,955	320,955
Restricted funds		196,800	232,524	196,800	232,524
Endowment funds		650,518	660,000	650,518	660,000
<b>TOTAL FUNDS</b>		<b>2,294,345</b>	<b>2,412,404</b>	<b>2,215,139</b>	<b>2,342,004</b>

Solent Mind (Registered number: 4004500)

Balance Sheet - continued

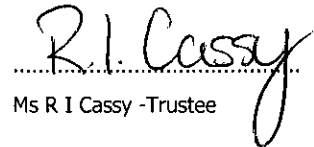
At 31st March 2016

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13TH SEPTEMBER 2017

P R E Hanlon -Trustee



13TH SEPTEMBER 2017

Ms R I Cassy -Trustee



**Cash Flow Statement**  
**for the Year Ended 31st March 2017**

		<b>Group</b>	
	Notes	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>			
Cash generated from operations	28	(70,090)	(113,620)
<b>Net cash provided by (used in) operating activities</b>		<b>(70,090)</b>	<b>(113,620)</b>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(87,330)	(316,369)
Sale of tangible fixed assets		-	458
Loss on defined benefit pension plan		(4,736)	-
Interest received		2,165	5,462
<b>Net cash provided by (used in) investing activities</b>		<b>(89,901)</b>	<b>(310,449)</b>
<b>Cash flows from financing activities:</b>			
Mortgage Repayments		(19,811)	(17,685)
Expenditure attributable to endowment		-	(34,332)
<b>Net cash provided by (used in) financing activities</b>		<b>(19,811)</b>	<b>(52,017)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(179,802)</b>	<b>(476,086)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>1,025,358</b>	<b>1,501,444</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>845,556</b>	<b>1,025,358</b>

**Notes to the Financial Statements  
for the Year Ended 31st March 2017**

**1 ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

**Basis of consolidation**

The financial statements incorporate the results of Solent Mind and its charitable subsidiary Mayfield Nurseries. Exemption has been taken from including the statement of Financial Activities of Solent Mind on a non-consolidated basis in accordance with section 408 of the Companies Act 2006.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The specific bases are used as follows:

- Voluntary income includes donations on a receivable basis.
- Fundraising income is shown gross.
- Lease income is accounted for on a receivable basis over the life of the lease.
- Investment income is accounted for on a receivable basis.
- Charitable Activity - all contract, grant and trading income is accounted for on a receivable basis. Income received in advance is deferred until entitlement to the income has arisen at which time it is credited to the Statement of Financial Activities.
- Grants that provide core funding or are of a general nature provided by statutory or charitable foundations are recorded as income from charitable activities. Income is recognised over the period of the grant.

**Volunteer Services**

The value of services rendered by volunteers is not incorporated in these financial statements. The number of hours is given elsewhere in this document. It is recognised that the intangible value of Solent Mind volunteers far outstrips any financial worth that may be attributed to their service.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is recognised when it is incurred and is reported gross of related income. It is accounted for on an accruals basis and allocated to the appropriate headings in the financial statements.

- Cost of raising funds comprises the costs associated with attracting voluntary income and the costs of other income generation, e.g. costs associated with fundraising.
- Charitable activities expenditure enables Solent Mind to meet its charitable aims and objectives. This expenditure comprises direct expenditure including direct staff costs attributable to its activities. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of resources as described below.
- Governance costs are associated with the governance arrangements of the charity, and relate to the general running of the charity. These costs include audit, legal advice for Trustees and costs associated with meeting constitutional and statutory requirements such as the cost of Trustee meetings and the preparation of statutory financial statements.
- Support costs are those costs which enable charitable activities and governance to be undertaken. These costs include central functions (Finance, IT, Human Resources & Administration and Function Management). These costs have been allocated to activity cost categories on a basis consistent with the use of resources.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Long leasehold	- in accordance with the lease
IT Equipment	-33.33% on cost
Motor vehicles	- 25% on reducing balance
CRM	- 10% on cost
Capitalised Software	-20% on cost
Fixtures and Fittings	-20% on cost
Office Equipment	-20% on cost

Where the recoverable amount of a fixed asset is found to be below its net book value, the asset will be written down to the recoverable figure and the loss on impairment is recognised in the SOFA.

The freehold and leasehold property is stated at market value on the basis of the valuations, less depreciation to date.

Capital items purchased with a value below £1000 and IT Equipment below £350 are not capitalised.

### **Stock**

The closing stock represents plant and cafe stock held at Mayfield Nurseries. Its value is deemed to be net selling price less mark up.

### **Related party exemption**

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' section 33, not to disclose related party transactions with wholly owned subsidiaries within the group.

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements  
for the Year Ended 31st March 2017

**2 DONATIONS AND LEGACIES**

	Group	
	2017	2016
	£	£
Donations	92,062	74,897
	<u>92,062</u>	<u>74,897</u>

**3 OTHER TRADING ACTIVITIES**

	Group	
	2017	2016
	£	£
Fundraising events	11,297	11,869
Lease/room hire income	8,325	7,174
Consultancy and training	4,076	1,255
Plant and Cafe Sales	125,336	108,867
Members income	30,190	5,245
	<u>179,224</u>	<u>134,410</u>

**4 INVESTMENT INCOME**

	Group	
	2017	2016
	£	£
Deposit account interest	2,165	5,461
	<u>2,165</u>	<u>5,461</u>

**5 INCOME FROM CHARITABLE ACTIVITIES**

		<b>Group</b>	
		<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<b>Activity</b>		
Contract	Employment & IAPT	2,367,186	2,237,407
Contract	Portsmouth	536,181	500,921
Contract	Home Based	653,933	712,483
Grants	Peer Support	67,078	197,554
Contract	Advocacy	915,169	891,659
Contract	Wellbeing	1,046,573	1,028,773
Grants	Therapy and Training	73,009	101,016
Grants	Other Charitable Activities	2,084	46,739
		<hr/>	<hr/>
		5,661,213	5,716,552
		<hr/>	<hr/>

		<b>Group</b>
		<b>£</b>
Southampton City Council SS	Contract	549,093
Hampshire County Council SS	Contract	1,316,918
Southern Health NHS FT	Contract	2,340,235
Portsmouth City Council	Contract	374,999
Hampshire Partnership NHS Trust	Contract	2,149
DWP - Access to Work	Contract	7,099
Personalisation	Contract	37,943
Individual Service Contracts	Contract	32,415
Andover Mind	Contract	194,500
University of Southampton	Contract	23,491
Solent NHS Trust	Contract	498,760
Southampton City CCG	Contract	26,000
Portsmouth City Council	Grant	54,410
Hampshire City Council	Grant	23,754
National Mind	Grant	76,422
MJB	Grant	71,457
St Georges Trust	Grant	20,000
Solent Mind	Other	-
Other Contracts and Grants	Other	11,568
		<hr/>
		5,661,213
		<hr/>

## 6 RAISING FUNDS

### Raising donations and legacies

	Group	
	2017	2016
	£	£
Staff costs	93,788	75,315
Other direct costs	30,219	52,232
Support costs	20,209	11,156
Governance costs	4,300	3,009
Other operating leases	5,679	3,971
	<u>154,195</u>	<u>145,683</u>

## 7 CHARITABLE ACTIVITIES COSTS

	Direct costs	Group Support costs	Totals
	£	£	£
Employment & IAPT	2,104,702	369,335	2,474,037
Portsmouth	408,197	83,911	492,108
Home Based	545,319	102,811	648,130
Peer Support	78,051	10,646	88,697
Advocacy	822,042	142,766	964,808
Wellbeing	981,265	166,694	1,147,959
Therapy and Training	68,133	9,729	77,862
Other Charitable Activities	51	140	191
	<u>5,007,760</u>	<u>886,032</u>	<u>5,893,792</u>

## 8 SUPPORT COSTS

	Group					2017 Total	2016 Total
	Human resources and admin	Governance costs	Management	Finance	Information technology		
	£	£	£	£	£		
Employment & IAPT	106,364	9,093	91,377	58,885	103,616	369,335	228,407
Portsmouth	24,165	2,066	20,760	13,378	23,542	83,911	55,792
Home Based	29,608	2,531	25,436	16,392	28,844	102,811	112,879
Peer Support	3,066	262	2,634	1,697	2,987	10,646	38,516
Advocacy	41,115	3,515	35,322	22,762	40,052	142,766	62,139
Wellbeing	48,006	4,104	41,242	26,577	46,765	166,694	138,121

Therapy and Training	1,382	2,174	1,566	3,685	922	9,729	11,511
Other Charitable Activities	41	3	35	22	39	140	207,024
Raised Funds	4,353	4,290	4,462	7,974	3,430	24,509	14,165
	<u>258,100</u>	<u>28,038</u>	<u>222,834</u>	<u>151,372</u>	<u>250,197</u>	<u>910,541</u>	<u>868,554</u>

## 8 SUPPORT COSTS - continued

Solent Mind charges its main activities (Employment & IAPT, Portsmouth, Home Based Support, Peer Support, Advocacy, Wellbeing) support costs (Finance and Business Development, Information Technology, Functional Management, Governance and Human Resources and Administration) based on a full cost recovery model. This base is considered consistent with the use of resources.

This is a subsidised charge due to the fact that Solent Mind receives contract and other funding from within its other charitable activities function specifically towards its support costs. This income is used to reduce the amount of support costs it needs to apportion its main activities.

## 9 NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	11,852	13,516
Depreciation - owned assets	137,179	153,754
Other operating leases	189,792	164,011
	<u>338,823</u>	<u>331,281</u>

## 10 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2017 nor for the year ended 31st March 2016.

### Trustees' expenses

Solent Mind - Travel expenses totalling £nil (2016: £206) were reimbursed to the trustees during the year. Trustee indemnity insurance cover of £1 million is provided for at a cost of £40 per annum.

Mayfield Nurseries - No expenses were paid to the trustees during this period. Trustee indemnity insurance cover of £1 million is provided at a cost of £25 per annum.

## 11 STAFF COSTS

	Group	
	2017	2016
	£	£
Wages and salaries	3,517,120	3,408,657
Social security costs	261,191	260,876
Other pension costs	137,709	150,769
	<u>3,916,020</u>	<u>3,820,302</u>

The average monthly number of employees during the year was as follows:

	Group	
	2017	2016
Charitable activities	157	148
Governance and support	6	6
	<u>163</u>	<u>154</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group	
	2017	2016
£60,001 - £70,000	1	1

Employer contributions for the year for the provision of a defined contribution scheme for the employee with emoluments above £60,000 was £5,085 (2016: £5,134).

## 12 TANGIBLE FIXED ASSETS

Group	Freehold property	Long leasehold	Plant and machinery	Motor vehicles	Totals
	£	£	£	£	£
<b>COST</b>					
At 1st April 2016	1,235,000	360,000	1,061,602	10,726	2,667,328
Additions	-	-	87,330	-	87,330
Revaluations	-	-	-	-	-
Disposals	-	-	(13,738)	-	(13,738)
	<u>1,235,000</u>	<u>360,000</u>	<u>1,135,194</u>	<u>10,726</u>	<u>2,740,920</u>
At 31st March 2017	1,235,000	360,000	1,135,194	10,726	2,740,920



**DEPRECIATION**

At 1st April 2016	7,667	-	643,988	9,293	660,948
Charge for year	24,700	3,482	108,639	358	137,179
Eliminated on Revaluation	-	-	-	-	-
Eliminated on disposal	-	-	(13,738)	-	(13,738)

At 31st March 2017	32,367	3,482	738,889	9,651	784,389
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**NET BOOK VALUE**

At 31st March 2017	1,202,633	356,518	396,305	1,075	1,956,531
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At 31st March 2016	1,227,333	360,000	417,614	1,433	2,006,380
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**Charity**

Freehold property	Long leasehold	Plant and machinery	Motor vehicles	Totals
£	£	£	£	£

**COST**

At 1st April 2016	1,235,000	360,000	1,020,080	-	2,615,080
Additions	-	-	86,144	-	86,144
Revaluations	-	-	-	-	-
Disposals	-	-	(13,738)	-	(13,738)

At 31st March 2017	1,235,000	360,000	1,092,486	-	2,687,486
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**DEPRECIATION**

At 1st April 2016	7,667	-	608,846	-	616,513
Charge for year	24,700	3,482	104,253	-	132,435
Eliminated on Revaluation	-	-	-	-	-
Eliminated on disposal	-	-	(13,738)	-	(13,738)

At 31st March 2017	32,367	3,482	699,361	-	735,210
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**NET BOOK VALUE**

At 31st March 2017	1,202,633	356,518	393,125	-	1,952,276
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At 31st March 2016	1,227,333	360,000	411,234	-	1,998,568
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**12 TANGIBLE FIXED ASSETS - continued**

On a historical cost basis the Freehold Property would be shown as:

	<b>Group £</b>
Historical cost	921,500
Depreciation	<u>138,878</u>
	<u><u>782,622</u></u>

On a historical cost basis the Leasehold Property would be shown as:

	<b>£</b>
Historical cost	290,000
Depreciation	<u>27,115</u>
	<u><u>262,885</u></u>

**13 Stock**

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Closing Stock	37,668	33,731	-	-

**14 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Charity</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Contracts and grant fees	426,961	534,459	419,029	533,600
Amounts owed by group undertakings	-	-	2,690	-
VAT	1,548	-	-	-
Other debtors	3,311	7,876	3,311	5,990
Prepayments	171,534	105,240	170,775	104,640
Accrued income	13,957	37,145	13,271	36,916
	<u>617,311</u>	<u>684,720</u>	<u>609,076</u>	<u>681,146</u>

**15 CREDITORS: AMOUNTS  
FALLING DUE WITHIN ONE  
YEAR**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts (see note 17)	19,777	18,774	19,777	18,774
Trade creditors	225,136	172,423	217,504	165,632
Amounts owed to group undertakings	-	-	1,138	-
Social security and other taxes	63,360	61,560	61,715	60,108
Other creditors	280	4,563	280	280
Pension fund	20,868	21,972	20,862	21,318
Accruals	133,818	130,895	129,839	127,718
Deferred income	273,889	412,993	252,999	400,460
	<b>737,128</b>	<b>823,180</b>	<b>704,114</b>	<b>794,290</b>

**15 CREDITORS: AMOUNTS  
FALLING DUE AFTER MORE  
THAN ONE YEAR**

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Bank loans (see note 17)	291,223	312,037	291,223	312,037
Pension Deficit	84,370	89,106	84,370	89,106
Deferred income	-	63,462	-	63,462
	<b>375,593</b>	<b>464,605</b>	<b>375,593</b>	<b>464,605</b>

**16 Deferred income**

GROUP	Balance at 1st April 2016	Deferred	Released	Balance at 31st March 2017
	£	£	£	£
	Contract and Grants	476,455	1,810,921	2,013,487
	<b>476,455</b>	<b>1,810,921</b>	<b>2,013,487</b>	<b>273,889</b>
Analysis of Deferred Income	Balance at 1st April 2016	Deferred	Released	Balance at 31st March 2017
	£	£	£	£
Under one year	412,994	1,810,921	1,950,026	273,889
Two – five years	63,461	-	63,461	-
	<b>476,455</b>	<b>1,810,921</b>	<b>2,013,487</b>	<b>273,889</b>

<b>Charity</b>	<b>Balance at 1st April 2016</b>	<b>Deferred</b>	<b>Released</b>	<b>Balance at 31st March 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Contract and Grants	463,921	1,770,448	1,981,370	252,999
	<u>463,921</u>	<u>1,770,448</u>	<u>1,981,370</u>	<u>252,999</u>

Analysis of Deferred Income	<b>Balance at 1st April 2016</b>	<b>Deferred</b>	<b>Released</b>	<b>Balance at 31st March 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Under one year	400,460	1,770,448	1,917,909	252,999
Two – five years	63,461	-	63,461	-
	<u>463,921</u>	<u>1,770,448</u>	<u>1,981,370</u>	<u>252,999</u>

## 17 LOANS

An analysis of the maturity of loans is given below:

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year on demand:		
Bank loans	19,777	18,774
	<u>19,777</u>	<u>18,774</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	291,223	312,037
	<u>291,223</u>	<u>312,037</u>
	291,223	312,037

## 18 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid:

Land and buildings	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Expiring		
Within one year	136,275	69,247
Between one and five years	64,874	81,833
	<u>201,149</u>	<u>151,080</u>
	201,149	151,080

## 19 SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2017	2016
	£	£
Bank loans	311,000	330,811

The mortgage is for a 15 year term with a fixed rate of 3.32% with Handelsbanken and was taken out to part fund the purchase of the charity's new head office at 15-16 The Avenue. The bank has secured the debt by way of a formal charge over the property.

## 20 PROVISIONS FOR LIABILITIES

	Group	
	2017	2016
	£	£
Office closure	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

Office closure - a provision for the additional rent costs and redecoration costs that would be required to meet the Blackhorse house lease requirements if it were terminated in 2017.

## 21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group				
	2017	Restricted funds	Endowment funds	Total funds	2016
Unrestricted funds	Total funds				
	£	£	£	£	£
Fixed assets	1,300,173	5,840	650,518	1,956,531	2,006,380
Current assets	1,269,288	231,247	-	1,500,535	1,743,809
Current liabilities	(696,841)	(40,287)	-	(737,128)	(823,180)
Long term liabilities	(291,223)	-	-	(291,223)	(375,499)
Provision for liabilities	(50,000)	-	-	(50,000)	(50,000)
Pension liability	(84,370)	-	-	(84,370)	(89,106)
	<u>1,447,027</u>	<u>196,800</u>	<u>650,518</u>	<u>2,294,345</u>	<u>2,412,404</u>

## 22 MOVEMENT IN FUNDS

	At 1.4.16	Group Net movement in funds	At 31.3.17 £
<b>Unrestricted funds</b>			
General Fund	686,135	(18,161)	667,974
Designated reserves	336,668	(57,925)	278,743
General infrastructure reserve	176,122	3,233	179,355
Revaluation reserve	320,955	-	320,955
	<b>1,519,880</b>	<b>(72,853)</b>	<b>1,447,027</b>
<b>Restricted funds</b>			
Restricted operating funds	-	-	-
Property maintenance reserve	49,041	-	49,041
Marcella House legacy reserve	29,595	(885)	28,710
Fareham and Gosport reserve	112,784	(31,737)	81,047
MJB Charitable Trust funded projects	41,104	(3,102)	38,002
	<b>232,524</b>	<b>(35,724)</b>	<b>196,800</b>
<b>Endowment funds</b>			
Freehold property reserve	300,000	(6,000)	294,000
Leasehold property reserve	360,000	(3,482)	356,518
	<b>660,000</b>	<b>(9,482)</b>	<b>650,518</b>
<b>TOTAL FUNDS</b>	<b>2,412,404</b>	<b>(118,059)</b>	<b>2,294,345</b>

## 22 MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Group Transfer between funds £	Movement in funds £
<b>Unrestricted funds</b>				
General Fund	5,889,829	(5,962,682)	54,692	(18,161)
Designated reserves	-	-	(57,925)	(57,925)
General infrastructure reserve	-	-	3,233	3,233
Revaluation reserve	-	-	-	-
	<b>5,889,829</b>	<b>(5,962,682)</b>	<b>-</b>	<b>(72,853)</b>

**Restricted funds**

Restricted operating funds	9,066	(9,066)	-	-
Property maintenance reserve	-	-	-	-
Marcella House legacy reserve	-	(885)	-	(885)
Fareham and Gosport reserve	-	(31,737)	-	(31,737)
MJB Charitable Trust funded projects	71,457	(74,559)	-	(3,102)
	80,523	(116,247)	-	(35,724)

**Endowment funds**

Freehold property reserve	-	(6,000)	-	(6,000)
Leasehold property reserve	-	(3,482)	-	(3,482)
	-	(9,482)	-	(9,482)

**TOTAL FUNDS**

5,970,352	(6,088,411)	-	(118,059)
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**22 MOVEMENT IN FUNDS - continued****Unrestricted reserves**

Designated reserves - represent funds set aside to support charity developments and to manage future uncertainties and potential liabilities.

General infrastructure reserve - funds set aside to cover losses in central income used to support Solent Mind's infrastructure.

**Restricted reserves**

Property maintenance reserve - £49041 as current assets specifically for major capital repairs and improvements of Solent Mind's Endowment Freehold and Leasehold Property in relation to the MJB Charitable Trust property donations.

Marcella House legacy reserve - £28,710 as cash received in 2008-09 from a legacy to be used specifically in the Marcella House project.

Fareham and Gosport reserve - funds transferred on merger with Mind Fareham and Gosport: Net Current Assets £81,047

Permanent Endowment funds

Freehold property reserve - £294,000 in relation to "The Hollies", a freehold property donated by MJB Charitable Trust.

Leasehold property reserve - £217,954 in relation to "Marcella House", a leasehold property and £138,564 in relation to "Abbey Close", another leasehold property donated by MJB Charitable Trust.

## Restrictions and conditions

Solent Mind undertakes to continue to use Marcella House and The Hollies as mental health centres except with the express consent in writing of the Transferor or their successors as trustees of the MJB Charitable Trust, such consent not to be unreasonably withheld.

In the unlikely event of the sale of the property 10 Abbey Close, any proceeds of sale shall be used for such purposes as the Transferors or their successors as trustees of the MJB Charitable Trust may agree in writing, such agreement not to be unreasonably withheld.

## 23 PENSION COMMITMENTS

Solent Mind operates a defined contribution pension scheme. The assets of the scheme are held separately from those of Solent Mind in a fund independently administered by the Pensions Trust. The total contributions in the year were £0 and £0 was outstanding at the year end.

### SCHEME: The Pensions Trust – The Growth Plan

#### SCHEME: TPT Retirement Solutions – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme

### Deficit contributions

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31-Mar-17	31-Mar-16	31-Mar-15
	(£s)	(£s)	(£s)
Present value of provision	84,370	89,106	71,320
<b>PRESENT VALUES OF PROVISION</b>			
<b>RECONCILIATION OF OPENING AND CLOSING PROVISIONS</b>			
	<b>Period Ending</b>	<b>Period Ending</b>	
	31-Mar-17	31-Mar-16	
	(£s)	(£s)	
Provision at start of period	89,106	71,320	



Unwinding of the discount factor (interest expense)	1,743	1,166
Deficit contribution paid	-9,103	-8,603
Remeasurements - impact of any change in assumptions	2,624	-1,392
Remeasurements - amendments to the contribution schedule	-	26,615
Provision at end of period	84,370	89,106

#### INCOME AND EXPENDITURE IMPACT

	<b>Period Ending</b> 31-Mar-17 (£s)	<b>Period Ending</b> 31-Mar-16 (£s)
Interest expense	1,743	1,166
Remeasurements – impact of any change in assumptions	2,624	-1,392
Remeasurements – amendments to the contribution schedule	-	26,615
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

#### ASSUMPTIONS

	31-Mar-17 % per annum	31-Mar-16 % per annum	31-Mar-15 % per annum
Rate of discount	1.32	2.07	1.74

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

#### 24 RELATED PARTY DISCLOSURES

Throughout the period Solent Mind was controlled ultimately by its members who meet annually at the Annual General Meeting. The Executive Committee elected by the members governs the affairs of the charity between Annual General Meetings.

Mayfield Nurseries owed a balance of £2,690 (2016: £4286) at 31.3.17. Solent Mind owed a balance of £1,138 to Mayfield Nurseries (2016: £nil) at 31.3.17.

On 1st April 2012 the finance and IT and related functions of Solent Mind and Mayfield Nurseries were transferred to Solent Support Solutions Limited a company which is jointly controlled by Solent Mind and Rose Road Association. Solent Support Solutions owed Solent Mind £0 (2016: £1918) at 31.3.17 and Solent Mind owed Solent Support Solutions £0 (2016: £1046) at 31.03.17.

#### 25 CONTINGENT LIABILITIES

As at As at 31.03.17 Solent Mind has no contingent liabilities (None at 31.03.16).

**26 POST BALANCE SHEET  
EVENTS**

As at 31.03.17 Solent Mind has had no post balance sheet adjustments made (None at 31.03.16).

**27 Net income from trading  
activities of subsidiary**

The trading activities that generated income for Solent Mind in previous years have now been transferred to the wholly owned subsidiary Mayfield Nurseries. Mayfield Nurseries is a charity incorporated in the UK, and whose principal activity is the operation of Horticultural therapies and Members activities.

A summary of the trading results for Mayfield Nurseries is shown below. Audited financial statements have been filed with the Registrar of Companies.

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Turnover	235,261	220,187
Cost of sales	(66,428)	(59,417)
Gross profit	168,833	160,770
Operating and administrative expenses	(160,027)	(160,696)
Operating profit	8,806	75
Profits brought forward	70,400	70,325
Profits retained in subsidiary	79,206	70,400

**28 RECONCILIATION OF NET  
INCOME TO NET CASH FLOW  
FROM OPERATING  
ACTIVITIES**

	<b>Group</b>	
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the statement of financial activities)</b>	(113,323)	(29,148)
<b>Adjustments for:</b>		
Depreciation	137,179	153,754
Loss/(profit) on disposal of fixed assets	-	-
Movement in Pension Deficit	4,736	9,003
Add Back Reserve Spending	-	-
(Gain)/loss on disposals	-	34,332
Less interest received	(2,165)	(5,138)
Decrease/(increase) in debtors	67,869	(188,970)

Decrease/(increase) in inventory	(3,937)	5,000
(Decrease)/increase in creditors	(160,449)	(92,453)
	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>(70,090)</b>	<b>(113,620)</b>

