

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 2021
for
Solent Mind**

Solent Mind

**Contents of the Financial Statements
for the Year Ended 31st March 2021**

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Report of the Trustees for the Year Ended 31st March 2021

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 2021. 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).

Structure, Governance and Management

Governing document

The charity is controlled by its governing document, its Memorandum and Articles of Association, being a 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

John Wilderspin	Chair
Robin Goater	Treasurer
Sarah Clements	
Gareth George	
Nichola Gordon-Jones	Resigned July 2021
Polly Hicks	Resigned September 2020
Rachael Jessney	Resigned May 2021
Emily Merrill	
Ruth Poyner	
Richard Pullen	
Haseeb Shakoor	
Gary Webb	Resigned March 2021
Simon Wickes	From May 2021
Lucy Robins	From May 2021
Christine Pennington	From May 2021
Simon Reeves	From May 2021
Denise Vine	From May 2021

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 2021

Administration Information

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 2020.

Solent Mind created a wholly owned 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 & IT, and Solent Mind's Chief Executive and Treasurer are both Directors of the Company.

Recruitment and appointment of Trustees / Directors:

Periodically the trustee board does a skills audit and seeks to address identified skills gaps when appointing to vacancies. Vacancies are published, with applicants asked to describe how their skills and experiences match the person specification and role description. Shortlisted candidates are then interviewed by the Chair and the Chief Executive. Where it is agreed to proceed, they are invited to attend a meeting of the Trustee Board and then to apply to become members of Solent Mind prior to being formally co-opted as trustees and directors and formally appointed at the next AGM. 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.

The Senior Management Team is made up of the Chief Executive, the Director of Finance & IT (Neil Evans), the Director of Services (Sue Forber), the Director of Human Resources & Communications (Debbie Prince) the Director of Quality & Improvement (Malcolm Barrett), and Business Development Director (Emma Fernandes) . The Chief Executive salary for the year was £70,163. The total salaries of the other members of the Senior Management Team was £166,403.

The following provided services to the charitable company during 2020-21:-

Auditors:

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

Bankers:

Unity Trust Bank, 4 Brindleyplace, Birmingham, B1 2JB.

Handelsbanken, Oceana House, 39-49 Commercial Road, Southampton, SO15 1GA

Solicitors:

Shoosmiths, Forum 5, Parkway, Whiteley, Fareham, PO15 7PA

Solent Mind

Report of the Trustees for the Year Ended 31st March 2021

Structure, Governance and Management

Solent Mind is governed by a Trustee Board which meets every two months, with Sub Committees having specified areas of delegated authority; a Finance, Information, Risk & Compliance Subcommittee, the Business Development Subcommittee and People & Quality Subcommittee.

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. There are 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.

The Trustees / Directors allocate an away day twice a year for their own training and development. In 2020-21, due to the restrictions imposed by coronavirus, these training and development took place via Zoom, and focused on the Charity Governance Code, the Board's Vision and Strategic Priorities, the impact of coronavirus on Charity activities, and equality, diversity and inclusion. In one of the development sessions, trustees linked up via Zoom to the Mind Network Leader's Conference, for a presentation on national priorities and lessons from recent research on the mental impact of the pandemic. The Annual General Meeting, also held remotely, was followed by an engagement session with Company Members, enabling Trustees to discuss options for greater involvement of Members in Company activities, including the use of breakout rooms.

Solent Mind is committed to being a diverse and inclusive charity. We believe that a diverse board can make better decisions, improve the quality of governance and increase public trust. Board membership includes both male and female, a range of ages, lived experience of mental health issues and diverse backgrounds including BAME. We strive to represent as a board the communities we exist to serve. In June 2020, in response to the killing of George Floyd and the activities of the Black Lives Matter movement, the Chair and CEO issued a statement on our website committing Solent Mind to do more to better support our underserved communities.

A trustee handbook is maintained, covering the role and responsibilities of trustees including key organisational documents such as risk management, safeguarding, health and safety and fundraising policies. It is provided to each new trustee following appointment. This handbook is updated annually. Trustees sign a Code of Conduct on joining the board.

This year's AGM took place in September 2020 via Zoom, taking advantage of the provisions of the Corporate Insolvency & Governance Act 2020, enabling an AGM to be held by electronic means. Business was carried out as required by the Charity's Articles, and the Articles were amended by special resolution to enable further general meetings to be held remotely, should the need arise.

Solent Mind is affiliated to Mind, the national mental health charity, as a Local Mind Association. For some years, this has been via a Community Partnership Agreement (CPA). Over the course of 2020-21, discussion took place to update and replace the CPA with a new Mind Federation Agreement, signed on 31 March 2021 upon resolution of the Board. Changes include an increased emphasis on local collaboration and clarification on working arrangements in overlapping areas among Local Minds. There is no financial or managerial connection beyond the payment of the membership fee. As with the CPA, the new Federation Agreement with Mind enables us to determine our own policies and activities locally.

We share broadly the same charitable objects as other Local Mind Associations. Locally, Solent Mind, Havant and East Hampshire Mind and Andover Mind have created a Community Interest Company ("Hampshire Mind CIC") to deliver wellbeing services.

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:

Solent Mind Risk and Opportunity Strategy was most recently reviewed by the Board in November 2020. The Strategic Risk and Opportunity Register is monitored quarterly by the Finance, Information, Risk & Compliance Subcommittee, setting 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.

We have reviewed our safeguarding practice and Public Interest Disclosure (whistleblowing) policies in the year. All staff undertake safeguarding training in the first days of their employment and this is fully covered at our induction days which are held quarterly.

Volunteers:

Our volunteers worked alongside 251 staff (as at 31st March 2021), excluding casual workers. We estimate that volunteers, excluding students and trustees gave over 2340.50 hours to Solent Mind over the past year. 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. The budget set by the Board for 2021-22 includes creation of a new post to lead on co-ordination of recruitment, induction, training and development of volunteers, to maximise the value to the organisation from this special resource.

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

Report of the Trustees for the Year Ended 31st March 2021

Solent Mind's Vision is: 'A world where everyone experiencing a mental health issue gets support and respect'.

Our Mission Statement is: "We're here to make sure anyone experiencing a mental health issue has someone to turn to for advice, information and support".

Significant activities

We are an established provider of mental health services, and during 2020-21 provided support across 6 main groups of services and activities:

Main features

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
Support and Recovery	Employment Support Peer Support Education Veterans' Support Wellbeing
Wellbeing	Provision of services with an emphasis on integration. Includes physical and mental wellbeing, practical skills, community development, and horticultural therapy
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

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 places where people are at their most vulnerable, including acute and secure hospitals. We specifically target those who fare worst in the mental health system, including marginalised 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.

Partnerships are seen as essential to the achievement of our aims. Apart from the Community Interest Company established with partners mentioned on page 4, we have partnership arrangements with Solent NHS Trust and with Portsmouth City Council. This partnership has 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 (Talking Therapies) service, and the Solent Recovery College. It also includes Positive Minds, operating from a modern city centre location, as an open access service offering an alternative to primary care for people experiencing emotional distress as a result of socially based crises, such as debt, housing issues and relationship breakdown. We continue to work with Southern Health NHS Foundation Trust to deliver the italk (Talking Therapies) service.

Solent Mind

Report of the Trustees for the Year Ended 31st March 2021

Trustees monitor the performance of all services, initially through the People and Quality Subcommittee. This includes both qualitative and quantitative evidence as to the impact that each service is making in support of our Vision and Strategic priorities, and performance under our contracts for commissioned services. The material gathered includes numbers of people supported, waiting lists (if any) service user satisfaction, complaints and any safeguarding concerns. The Board has adopted a balanced scorecard approach, supplementing the service quality information with data relating to financial and HR performance. This gives the Board an overview of organisational performance in these key areas. In 2020-21, 20 complaints were received. All were resolved or processed through the Solent Mind's complaints procedure by year end.

Membership of Solent Mind, which can entitle people to vote at our AGM and receive periodic information about the charity, stood at 149 at 31.03.21, including 24 new members in the 2020-21 year. Our AGM in September 2020 included a discussion with Members as part of our continuing review of options for supporters to become involved in Company activities.

We have maintained a strong presence on social media during the year and keep our stakeholders up to date via our Annual Review, Solent Mind and Mayfield Nurseries websites, and Facebook, Twitter and Instagram.

Achievements and Performance 2020/21

A year in numbers;

- Volunteers, excluding trustees gave over 2,340.50 hours to Solent Mind over the past year
- 68,502 people visited our website, of which 83% were new visitors
- Our Upturn Children and Young People's project supported 224 young people in schools and colleges
- 1,331 people were supported through our Portsmouth Employment Services
- Our Wellbeing Centres helped over 3,242 people across Hampshire
- Over 11,124 people were supported through italk talking therapies
- Our Portsmouth Advocacy Service took over 842 referrals
- The Lighthouse Crisis project supported over 591 individuals, through over 2,487 contacts
- Community Peer Support Projects supported 1,034 people

During 2020-21, the Board of Trustees reviewed and updated Solent Mind's Vision and Strategic Priorities for the period 2020-23. This has taken into account the outcomes of the 'Beyond 2020' consultation and engagement with stakeholders conducted in winter 2019-20, and evidence of the mental health impact of the coronavirus pandemic in both the short and long term.

Solent Mind's Vision is: 'A world where everyone experiencing a mental health issue gets support and respect'.

Our Mission Statement is: "We're here to make sure anyone experiencing a mental health issue has someone to turn to for advice, information and support".

The Board has adopted four separate areas of activity, or 'pillars' - each with their own distinct area of focus and which, together, combine to support and achieve our high level ambitions for the organisation. The Board has also adopted a detailed Delivery Plan, utilising the NCVO Monitoring and Evaluation Framework, with specific commitments and measures of success. The following summarises the position on each of the four pillars, and achievements in 2020-21:

Pillar 1: High Quality Services

"We will deliver high quality services that help prevent people becoming unwell and, where they do, help them recover and live safe and well in their communities".

Our services for prevention and recovery were consistently identified in the Beyond 2020 consultation as our top two priorities, reflecting how these constitute the 'core business' of Solent Mind. Our wellbeing centres, talking therapies and peer support are examples of services that give people hope and are held in high regard. Their inclusion as the first of our pillars reflects our aim to play to our strengths in the areas where we choose to undertake direct service provision. We also seek to increase our support to those sections of society whose mental health is particularly impacted by the coronavirus pandemic.

In 2020-21, the arrival of the pandemic meant that the continuation of face to face services was no longer possible, due to Government restrictions. Nevertheless, our services were adapted to telephone, text and online formats to ensure that service users continued to receive the support that they needed. A new Solent Mind App was developed, giving access to a curated range of wellbeing resources accessible 24/7 via a smartphone. The App was well-received and earned positive reviews. While the service preference of many will remain face to face, in one to one or group settings, comments received have also demonstrated benefits for many in the flexibility and accessibility of services through remote delivery. In 2021-22 and beyond, we are planning to maintain digital service delivery alongside face to face services when these can safely return. Our Delivery Plan also includes the development of new services and support for those principally affected by the pandemic, namely children, young people and families, those facing employment or economic challenges, and marginalised groups experiencing health inequalities.

Solent Mind

Report of the Trustees for the Year Ended 31st March 2021

Pillar 2: Community Partnerships

“We will work collaboratively alongside partner organisations to build networks and resilience in local communities that help people to stay well”.

Fulfilling our charitable purposes does not have to mean seeking to provide all services directly ourselves. We aim to develop strategic level partnerships with statutory and other third sector organisations who have the skills, resources, experience, reputation, connections and track record to complement our own and with whom, by working together, we can better address areas of unmet need. We can work collaboratively to deliver more value for commissioners and funders, and better outcomes for people, rather than competing for scarce resources.

In 2020-21, we further developed our partnerships with NHS bodies to support more people experiencing mental health issues, in more ways. Working with Southern Health NHS Foundation Trust, we were successful in securing long term funding for continuation of the Lighthouse crisis drop-in centre in western Southampton. Further, adaptation to text and phone support enabled the service to support more people from wider parts of the city. Our contract also provides for the creation of a second drop-in centre. This helps reduce the numbers of people reaching crisis levels, facing hospital admissions and at risk of suicide. Through our partnership with Solent NHS Trust and Portsmouth CCG, we were also successful in securing funding for a new crisis drop-in centre in Portsmouth. This will be known as ‘The Harbour’ and operate from our existing Positive Minds base. We also learned that our involvement in the Italk (talking therapies) service, another of our partnerships with Southern Health, will benefit from an additional £2m funding in 2021-22. This will enable our services to reach many more people experiencing issues with their mental health.

Pillar 3: Leading Change

“We will lead positive change to tackle the underlying causes of poor mental health by influencing those commissioning local community services and by campaigning with Mind on national issues”.

This area of our work is recognition of the complexity of the environment in which we operate, and that the pursuit of our charitable objectives involves addressing the many and varied social determinants of poor mental health. Through greater consistency in data capture, more capacity for data analysis, research and evaluation, and joint working with strategic partners, we can identify gaps in service coverage and effectiveness and lobby for positive change. Key to this is the ‘unique selling point’ of our depth of personal lived experience, bringing the voice and perspective of service users to raise awareness of injustices and the need for change, through personal story telling and public narrative.

In 2020-21, alongside adaptation of our services to phone and digital means, we maintained an active presence on the web and social media, raising awareness of mental health and injustice, including activities in Mental Health Awareness Week (May 2020) and World Mental Health Day (October 2020). Also in October, we marked Black History Month with an online conference, featuring a range of speakers, raising awareness of the challenges faced by people with mental health issues in black and asian communities in accessing the support they need. Men’s mental health was the subject of a group discussion, made available on line, to mark International Men’s Day in November 2020. In February 2021, through our Southampton/Portsmouth Time to Change Hub, we published a series of videos of local black men openly talking about their experiences of mental health. Reports from web and social analytics are considered quarterly and reported to the People & Quality Subcommittee of the Board, and have shown high levels of engagement. In addition, the Board has invested in a new role of Research, Evaluation & Intelligence Officer to ensure that our work in this area is better targeted, monitored and evidence-based.

Pillar 4: Trust Through Excellence

“We will promote trust in our organisation through excellence, transparency, sound governance and effective management of our resources”.

This pillar recognises the universal importance of trust and confidence in our organisation, whether this be with service users, members, staff, partners, commissioners, donors, fund raisers or regulators. Remaining focused on important business areas such as service quality, safeguarding and workforce wellbeing is key, maintaining independent quality accreditations and keeping up with best practice. By leading on coproduction with service users we can set a standard for others to follow. This work also embraces sound governance and management of our resources, financial accounting, and compliance with the requirements and advice of regulators, such as the Charity Commission, Companies House and the Fundraising Regulator.

In 2020-21, we were pleased to be awarded the Investors in People Gold Award following our assessment, recognising the strength of our approach to managing and developing our people, and to workforce wellbeing. We continued the roll-out of our I-Trent HR system, offering greater resilience, efficiency and risk mitigation in payroll, and automating transactional processes through employee self-service. We introduced our new website, offering digital capability for communication and service delivery, further helping us in overcoming the constraints on face to face service delivery arising from Covid-19. Recognising the increased incidence of cyber-fraud during the pandemic, and the risks this posed with our staff working and delivering services remotely, we undertook a review of our existing safeguards with the benefit of expert external advice. This has resulted in a number of additional protective measures being adopted, including multi-factor authentication for staff logging in to Solent Mind systems. We worked constructively with Mind and contributed to the review and improvement of Mind Network relations through the development of the new Mind Federation Agreement. The financial challenges presented by the pandemic were actively, carefully and prudently managed, resulting in a year end outcome where budget and income generation targets have been achieved. In the light of social distancing restrictions and changes to working practices, the Board has commissioned a review of our existing estate, to ensure that resources are invested in an appropriate and cost-effective way to support the delivery of our charitable purposes. This review will be reported to trustees in mid-2021. We continued to meet all regulatory requirements of the Charity Commission and Companies House.

Concluding Remarks and Future Challenges

Although a very challenging year for the charity sector, 2020-21 has been a solid and successful year of performance by Solent Mind. Achievements include adapting and maintaining services to our clients during a difficult period for the nation's mental health, receiving plaudits from partners and commissioners for our speed and effectiveness in doing so, receiving a Gold award for Investors in People and meeting our income generation and budget targets. These outcomes could not have been achieved without the dedication and commitment of our staff, volunteers, partners, commissioners, supporters and fund raisers, to all of whom the Board of Trustees extends its thanks.

As we look to 2021-22 and beyond, there are still a number of unknown factors that could potentially impact on our business and our services, including the recurrence of coronavirus and re-imposition of government restrictions, the economic situation and its effect on fund raising and investment in mental health services, and the anticipated increased level of demand for mental health support. Legislative reform will bring structural change within the local NHS, with the introduction of a new Integrated Care System from April 2022 and possible changes in approach to commissioning services. There are particular challenges in relation to health inequalities, with Black, Asian, LGBTQ+ and other marginalised groups in society experiencing disproportionate impact in mental health and accessing services. We will work with partners to bring about positive change in this respect, so that everyone experiencing a mental health issue can receive support and respect.

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 2019)', 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 Incoming Resources (includes investments from reserves) for the year the group amounted to £401,170 (19/20 £167,767).

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

Fareham & Gosport Wellbeing centre	(£982)
Peer Support Services	(£20,897)

The operating surplus for the year amounted to £423,049 this represents 6.35% of Total Incoming Resources for the year (19/20 2.73%).

Total Net Incoming Resources	£401,170
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Despite the loss of our Advocacy Hampshire contract at the end of 19/20, Solent Mind has seen growth in all of its other charitable activity service areas this combined with smaller increases in fundraising and trading income has driven the increase in Net Incoming Resources for the year.

Included in the Total Net Incoming Resources for 2020/21 is a surplus of £80,196 made by Mayfield Nurseries.

Incoming Resources for the Year

Gross income for the group for the year totalled £6,665,857 an increase of £411,991 or 7% on last year 19/20.

The principal funding sources are derived from contract and grant income which accounts for 93% or £6,170,319 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 £414,198 an increase of £144,050 or 33% on last year (19/20) this was mainly due to funding received from Southern Health NHS Trust to provide new services together with an increase in trading income.

During 20/21, Solent Mind made an actuarial loss (£2,797) on its defined benefit schemes compared to gain of £642 in (19/20).

Solent Mind

Report of the Trustees for the Year Ended 31st March 2021

Resources Expended

Resources expended for the year totalled £6,261,890 an increase of £175,149 or 3% on last year 19/20.

Charitable Activities expenditure accounted for 93% or £5,820,003 of the Solent Mind's total resources expended.

Capital Expenditure

Solent Mind's group capital expenditure for the year amounted to £182,976 compared to 19/20 £168,045.

Funds

Total funds as at 31st March 2021 stand at £3,109,256 of which £2,350,143 relates to unrestricted funds, £116,523 relates to restricted funds and £642,590 relates to permanent endowment funds.

Reserves 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 31st March 2021, in line with its policy to do so on an annual basis following detailed scrutiny and recommendations by its Finance, Information, Risk and Compliance Subcommittee, 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 Strategic Plan.

Solent Mind's reserves include unrestricted, restricted and permanent endowment funds. Unrestricted funds held by Solent Mind total £2,350,143 of which £1,375,891 relates to fixed assets held in general and revaluation reserves and £529,280 has been designated for particular purposes. A further £444,972 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 £116,523 of which £49,042, 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. £26,748 is held in the Marcella House Legacy Reserve to be used specifically for the Marcella House Project. £6,872 is held in the MJB Charitable Trust Funded Projects Reserve to be used specifically for projects funded by the Trust. £33,861 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 £642,590 - 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.

COVID-19

Solent Mind acknowledges the difficult environment which it is currently operating in due to the Covid-19 pandemic, however unlike many charities in the sector the impact on Solent Mind's financial performance for the year ending 31st March 2021 has been minimal.

Solent Mind is in the fortunate position to be largely funded by local authority and NHS contracts, these funders are continuing to make payments as per our contractual agreements. The charity also attracted Covid -19 grant income to help expand its services and covered Covid-19 related costs.

Fundraising and trading income held firm during the year and Solent Mind saw increases in both income streams compared to the previous year.

Solent Mind has sufficient reserves to cover uncertainties arising from Covid- 19 but we will keep this situation under review in the light of any extension of the current restrictions, and/or any future changes to Government guidance.

Investment Policy

The Finance, Information, Risk and Compliance Subcommittee 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. The Treasury Management policy sets out the board's approach.

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.

Solent Mind

**Report of the Trustees
for the Year Ended 31st March 2021**

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 29th September 2021 and signed on its behalf by:



.....

K R Gardner - Company Secretary

Report of the Independent Auditors to the Members of Solent Mind

Opinion

We have audited the financial statements of Solent Mind (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31st March 2021 on pages fourteen to thirty five. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31st March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable company in accordance with the ethical requirements that are relevant to our audit of the group financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the group financial statements and our Report of the Independent Auditors thereon.

Our opinion on the group financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the group financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of Solent Mind

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the group financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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 by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page ten, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the group 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 group financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the group financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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 group and 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.

Report of the Independent Auditors to the Members of Solent Mind



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 29 September 2021

**Statement of Financial
Activities
for the Year Ended
31st March 2021**

	Notes	Group 2021			2020	
		Unrestrict ed funds	Restricted funds	Endowment funds	Total funds	Total funds
		£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations, Fundraising and legacies	2	275,231	-	-	275,231	257,700
Charitable activities						
Employment & IAPT	5	2,540,190	-	-	2,540,190	2,268,671
Portsmouth		1,233,205	-	-	1,233,205	1,115,837
Peer Support		399,824	35,629	-	435,453	247,560
Advocacy		185,516	-	-	185,516	990,581
Wellbeing		1,182,548	72,631	-	1,255,179	980,664
Therapy and Training		260,617	-	-	260,617	124,522
Other Charitable Activities		260,159	-	-	260,159	22,361
Other trading activities						
Plant and Cafe Sales	3	145,345	-	-	145,345	124,646
Other Income		71,113	-	-	71,113	116,023
Investment income	4	3,849	-	-	3,849	5,301
Total		6,557,597	108,260	-	6,665,857	6,253,866
EXPENDITURE ON						
Raising funds	6					
- Donations, Legacies and Fundraising		130,416	-	-	130,416	114,475
- Trading Activities		311,472	-	-	311,472	224,713

Charitable activities

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Employment & IAPT	2,552,745	-	-	2,552,745	2,251,892
Portsmouth	1,193,833	-	-	1,193,833	1,033,091
Peer Support	351,227	35,629	-	386,856	241,201
Advocacy	174,007	-	-	174,007	1,068,918
Wellbeing	1,131,386	71,994	3,482	1,206,862	983,097
Therapy and Training	110,750	-	-	110,750	150,751
Other Charitable Activities	194,949	-	-	194,949	18,603

Total	6,150,786	107,623	3,482	6,261,890	6,086,741
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NET INCOME	406,811	637	(3,482)	403,967	167,125
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Solent Mind
**Statement of Financial
Activities
for the Year Ended
31st March 2021**

	Group				
			2021		2020
	Unrestrict ed funds	Restricted funds	Endowment funds	Total funds	Total funds
	£	£	£	£	£
Other recognised gains/(losses)					
Revaluation of Fixed Assets	-	-	-	-	-
Actuarial gains/(losses) on defined benefit schemes	(2,797)	-	-	(2,797)	642
Net movement in funds	404,014	637	(3,482)	401,170	167,767

RECONCILIATION OF FUNDS

Total funds brought forward	1,946,128	115,886	646,072	2,708,086	2,540,319
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TOTAL FUNDS CARRIED FORWARD

	2,350,142	116,524	642,590	3,109,256	2,708,086
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CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities

Balance Sheet
At 31st March 2021

	Note	Group		Charity	
	S	2021	2020	2021	2020
		£	£	£	£
FIXED ASSETS					
Tangible assets	12	2,018,481	1,966,226	2,004,276	1,952,583
CURRENT ASSETS					
Stock	13	49,646	29,195	-	-
Debtors	14	849,976	857,220	845,927	845,900
Cash at bank		1,508,189	846,121	1,266,433	757,295
TOTAL CURRENT ASSETS		2,407,811	1,732,536	2,112,360	1,603,195
CREDITORS - Amounts falling due within one year					
Creditors	15	(405,932)	(283,716)	(372,430)	(271,177)
Deferred income	16	(865,136)	(270,155)	(742,468)	(213,000)
Mortgage	17	-	(23,583)	-	(23,583)
NET CURRENT ASSETS		1,136,743	1,155,082	997,462	1,095,435
TOTAL ASSETS LESS CURRENT LIABILITIES		3,155,223	3,121,308	3,001,738	3,048,019
CREDITORS - Amounts falling due after more than one year					
Deferred income	16	-	-	-	-
Mortgage		-	(227,706)	-	(227,706)
PROVISIONS FOR LIABILITIES	20	-	(131,053)	-	(131,053)
PENSION LIABILITY	23	(45,967)	(54,463)	(45,967)	(54,463)
NET ASSETS		3,109,256	2,708,086	2,955,771	2,634,797
FUNDS					
Unrestricted funds	22	2,029,188	1,625,173	1,875,703	1,551,884
Revaluation Reserve		320,955	320,955	320,955	320,955
Restricted funds		116,523	115,886	116,523	115,886
Endowment funds		642,590	646,072	642,590	646,072
TOTAL FUNDS		3,109,256	2,708,086	2,955,771	2,634,797

Balance Sheet - continued
At 31st March 2021

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 29th September 2021 and were signed on its behalf by:



.....
R Goater -Trustee



.....
J Wilderspin -Trustee

**Cash Flow Statement
for the Year Ended 31st March 2021**

	Notes	Group 2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	28	588,224	(181,431)
Net cash provided by (used in) operating activities		588,224	(181,431)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(182,976)	(168,045)
Sale of tangible fixed assets		4,480	2,778
Gain on defined benefit pension plan		(2,797)	642
Interest received		3,849	5,301
Net cash provided by (used in) investing activities		(177,444)	(159,324)
Cash flows from financing activities:			
Mortgage Repayments		251,289	20,823
Expenditure attributable to endowment		-	-
Net cash provided by (used in) financing activities		251,289	20,823
Change in cash and cash equivalents in the reporting period		662,068	(319,932)
Cash and cash equivalents at the beginning of the reporting period		846,121	1,166,053
Cash and cash equivalents at the end of the reporting period		1,508,189	846,121

**Notes to the Financial Statements
for the Year Ended 31st March 2021**

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 2019)', 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.
- Income from government and other grants are recognised at a fair value when the charity has entitlement after any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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	- No depreciation is charged
Long leasehold	- In accordance with the lease
IT Equipment	-25% on cost
Motor vehicles	-25% on reducing balance
Capitalised Software	-10 to -20% on cost
Fixtures and Fittings	-20% on cost
Office Equipment	-20% on cost
Building Adaptations	-10% 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 - continued
for the Year Ended 31st March 2021**

2 DONATIONS AND LEGACIES

	Group	
	2021	2020
	£	£
Donations	143,085	109,391
Fundraising events	132,146	148,309
Total Donated income	275,231	257,700

3 OTHER TRADING ACTIVITIES

	Group	
	2021	2020
	£	£
Lease/room hire income	18,434	23,547
Consultancy and training	51,491	80,006
Plant and Cafe Sales	145,345	124,646
Plant hire	-	2,340
Members income	1,188	10,130
Total Trading income	216,458	240,669

4 INVESTMENT INCOME

	Group	
	2021	2020
	£	£
Deposit account interest	3,849	5,301

5 INCOME FROM CHARITABLE ACTIVITIES

		Group	
	Activity	2021	2020
		£	£
Contract	Employment & IAPT	2,540,190	2,268,671
Contract and Grants	Portsmouth	1,233,205	1,115,837
Contracts and Grants	Peer Support	435,453	247,560
Contract	Advocacy	185,516	990,581
Contract and Grants	Wellbeing	1,255,179	980,664
Grants	Therapy and Training	260,617	124,522
Grants	Other Charitable Activities	260,159	22,361
Total income from Charitable Activities		6,170,319	5,750,196

Southampton City Council SS	Contract	132,178	328,344
Hampshire County Council SS	Contract	541,624	885,123
Southern Health NHS FT	Contract	3,001,171	2,292,950
Portsmouth City Council	Contract	179,999	286,435
West Hampshire CCG	Contract	138,265	1,979
DWP - Access to Work	Contract	1,752	1,702
Eastleigh Health Primary Care Network	Contract	17,690	20,954
Individual Service Contracts	Contract	5,517	46,869
NHS Portsmouth CCG	Contract	22,500	-
University of Southampton	Contract	7,074	3,971
Solent NHS Trust	Contract	1,230,162	908,185
Southampton City CCG	Contract	7,500	32,500
Hampshire Mind CIC	Contract	483,225	476,756
Southampton Voluntary Services	Contract	60,000	30,000
Other Contracts	Contract	2,864	-
Solent NHS Trust	Grant	-	90,997
Hampshire Mind CIC	Grant	-	-
MIND	Grant	24,955	49,957
Southampton City Council SS	Grant	21,261	53,636
Hampshire County Council SS	Grant	-	-
Southern Cooperative	Grant	-	20,789
NHS West Hampshire CCG	Grant	-	13,000
The Princes Trust	Grant	-	23,631
MJB	Grant	83,564	78,908
Police and Crime Commissioner	Grant	-	11,250
Zurich	Grant	24,631	9,400
Rathbone Trust	Grant	15,650	-
Peoples health lottery	Grant	-	3,684
Comic relief	Grant	2,869	22,182
Community Fund	Grant	163,785	7,907
Time GB Group	Grant	-	18,343
Other Grants	Grant	2,083	30,744
Total income from Charitable Activities		6,170,319	5,750,196

6 RAISING FUNDS

Raising donations and legacies

	Group	
	2021	2020
	£	£
Staff costs	88,922	81,482
Other direct costs	18,479	14,333
Support costs	22,198	18,142
Governance costs	817	518
Other operating leases	-	-
Total Raising Funds costs	130,416	114,475

Trading Activities

	Group	
	2021	2020
	£	£
Staff costs	155,978	158,407
Other direct costs	121,440	54,253
Support costs	14,984	6,531
Governance costs	688	147
Other operating leases	18,382	5,375
		-
Total Trading costs	311,472	224,713

7 CHARITABLE ACTIVITIES COSTS

	Direct costs	Group	Totals
	£	Support costs	£
		(See note 8)	
	£	£	£
Employment & IAPT	2,124,011	428,734	2,552,745
Portsmouth	985,700	208,133	1,193,833
Home Based	-	-	-
Peer Support	313,120	73,736	386,856
Advocacy	142,712	31,295	174,007
Wellbeing	992,394	214,468	1,206,862
Therapy and Training	109,466	1,284	110,750
Other Charitable Activities	177,766	17,183	194,949
Total Charitable Activity costs	4,845,169	974,833	5,820,002

8 SUPPORT COSTS

	Human resources, admin and comms	Governance costs	Management	Finance	Group	2021 Total	2020 Total
	£	£	£	£	Information technology	£	£
Employment & IAPT	150,057	17,149	64,310	72,885	124,333	428,734	416,171
Portsmouth	72,847	8,326	31,220	35,383	60,359	208,133	209,893
Peer Support	25,807	2,950	11,060	12,535	21,383	73,736	46,363
Advocacy	10,953	1,252	4,694	5,320	9,076	31,295	186,075
Wellbeing	75,064	8,578	32,170	36,460	62,196	214,468	185,315
Therapy and Training	182	287	207	486	122	1,284	1,479
Other Charitable Activities	6,014	687	2,577	2,921	4,983	17,183	4,175

Trading Activities	5,335	7 60	2,359	2,815	4,403	15,672	6,678
Raised Funds	8,049	9 27	3,453	3,920	6,667	23,016	18,660
Total Support costs	354,308	40,915	152,051	172,725	293,522	1,013,521	1,074,809

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):

	Group	
	2021	2020
	£	£
Auditors' remuneration	12,579	11,076
Depreciation - owned assets	126,241	105,481
Other operating leases	107,706	147,289

10 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the year ended 31st March 2020.

Trustees' expenses

Solent Mind - Travel expenses totalling £360 (2019: £63) were reimbursed to three 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	
	2021	2020
	£	£
Wages and salaries	4,159,491	3,916,219
Social security costs	321,019	289,697
Other pension costs	129,445	123,640
Total Staff costs	4,609,955	4,329,556

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

	Group	
	2021	2020
Charitable activities	162	153
Governance and support	10	10
Total Average Employees	172	163

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

	Group	
	2021	2020
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

Employer contributions for the year for the provision of a defined contribution scheme for the employee with emoluments above £60,000 was £2,093 (2020: £5,085).

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2

TANGIBLE FIXED ASSETS

GROUP	Group				Totals
	Freehold property	Long leasehold	Plant and machinery	Motor vehicles	
	£	£	£	£	£
COST OR VALUATION					
At 1st April 2020	1,235,000	360,000	1,104,643	9,970	2,709,613
Additions	-	-	182,976	-	182,976
Revaluations	-	-	-	-	-
Disposals	-	-	(13,804)	-	(13,804)
At 31st March 2021	1,235,000	360,000	1,273,815	9,970	2,878,785
DEPRECIATION					
At 1st April 2020	-	13,928	724,045	5,414	743,387
Charge for year	-	3,482	121,620	1,139	126,241
Eliminated on Revaluation	-	-	-	-	-
Eliminated on disposal	-	-	(9,324)	-	(9,324)
At 31st March 2021	-	17,410	836,341	6,553	860,303
NET BOOK VALUE					
At 31st March 2021	1,235,000	342,590	437,474	3,417	2,018,481
At 31st March 2020	1,235,000	346,072	380,598	4,556	1,966,226

CHARITY	Charity				Totals
	Freehold property	Long leasehold	Plant and machinery	Motor vehicles	
	£	£	£	£	£
COST					
At 1st April 2020	1,235,000	360,000	1,048,225	-	2,643,225
Additions	-	-	177,589	-	177,589
Revaluations	-	-	-	-	-
Disposals	-	-	(13,804)	-	(13,804)
At 31st March 2021	1,235,000	360,000	1,212,010	-	2,807,010
DEPRECIATION					
At 1st April 2020	-	13,928	676,713	-	690,641

Charge for year	-	3,482	117,935	-	121,417
Eliminated on Revaluation	-	-	-	-	-
Eliminated on disposal	-	-	(9,324)	-	(9,324)
At 31st March 2021	-	17,410	785,324	-	802,733

NET BOOK VALUE	1,235,000	342,590	426,687	-	2,004,277
At 31st March 2021					
At 31st March 2020	1,235,000	346,072	371,512	-	1,952,584

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

	Group
	£
Historical cost	921,500
Depreciation	212,441
Total Freehold Property historical cost NBV	709,059

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

	£
Historical cost	290,000
Depreciation	36,975
Total Leasehold Property historical cost NBV	253,025

The freehold and leasehold properties were valued in 2015/16 by Richard Pullen BSC FRICS

1 3 Stock

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Closing Stock	49,646	29,195	-	-

1 4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Contracts and grant fees	631,716	615,448	628,335	604,464
Amounts owed by group undertakings	0	179	4,023	3,905
VAT	898	100	-	-
Other debtors	87,488	91,718	86,811	89,039
Prepayments	82,383	105,268	79,435	104,090
Accrued income	47,491	44,507	47,323	44,402
Total Debtors	849,976	857,220	845,927	845,900

1 5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020

	£	£	£	£
Trade creditors	107,056	101,589	87,095	95,887
Amounts owed to group undertakings	-	-	-	81
Social security and other taxes	93,215	69,515	89,413	66,336
Other creditors	6,204	452	6,204	452
Accruals	163,058	87,303	156,739	84,304
Pension fund	34,256	24,857	32,979	24,117
Total Creditors	403,789	283,716	372,430	271,177
Bank loans and overdrafts (see note 17)	-	23,583	-	23,583
Deferred income	865,136	270,155	742,468	213,000
Creditors - Falling Due within one year	1,268,925	577,454	1,114,898	507,760

1
5 **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans (see note 17)	-	227,706	-	227,706
Pension Deficit	45,967	54,463	45,967	54,463
Provisions	-	131,053	-	131,053
Deferred income	-	-	-	-
Creditors - Falling Due after one year	45,967	413,222	45,967	413,222

1
6 **Deferred income**

GROUP	Group			Balance at 31st March 2021
	Balance at 1st April 2020	Deferred	Released	
	£	£	£	£
Contract and Grants	270,155	1,242,946	(647,964)	865,137
Total Deferred income	270,155	1,242,946	(647,964)	865,137
Analysis of Deferred Income	Balance at 1st April 2019	Deferred	Released	Balance at 31st March 2020
	£	£	£	£
Under one year	270,155	1,242,946	(647,964)	865,137
Two - five years	-	-	-	-
Total Deferred income	270,155	1,242,946	(647,964)	865,137
CHARITY	Ch arity			Balance at 31st March 2021
	Balance at 1st April 2020	Deferred	Released	
	£	£	£	£
Contract and Grants	213,000	1,085,843	(556,375)	742,469
Total Deferred income	213,000	1,085,843	(556,375)	742,469

Analysis of Deferred Income	Balance at 1st April 2019	Deferred	Released	Balance at 31st March 2020
	£	£	£	£
Under one year	213,000	1,085,843	(556,375)	742,469
Two - five years	-	-	-	-
Total Deferred income	213,000	1,085,843	(556,375)	742,469

17 LOANS

An analysis of the maturity of loans is given below:

	Group	
	2021	2020
	£	£
Amounts falling due within one year on demand:		
Bank loans	-	23,583
	-	20,814
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	227,706
Total loan value	-	251,289

All loans were fully repaid during the year

18 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid:

	Group	
	2021	2020
	£	£
Land and buildings		
Expiring:		
Within one year	25,852	21,850
Between one and five years	81,854	125,439
Total Operating Lease commitments	107,706	147,289

19 SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2021	2020
	£	£
Bank loans	-	251,289

The formal charge with Handelsbanken has been removed.

20 PROVISIONS FOR LIABILITIES

Group

	2021	2020
	£	£
Italk - contract underperformance	-	55,077
Italk - Staffing	-	75,976
Total Provisions	-	131,053

2 1 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group			Total funds	2020 Total funds
	2021 Unrestricted funds	2021 Restricted funds	2021 Endowment funds		
	£	£	£	£	£
Fixed assets	1,375,891	-	642,590	2,018,481	1,966,226
Current assets	2,300,241	116,523	-	2,416,764	1,745,214
Current liabilities	(1,280,021)	-	-	(1,280,021)	(590,133)
Long term liabilities	-	-	-	-	(227,706)
Provision for liabilities	-	-	-	-	(131,053)
Pension liability	(45,967)	-	-	(45,967)	(54,463)
Total Funds	2,350,144	116,523	642,590	3,109,257	2,708,085

2 2 MOVEMENT IN FUNDS

	Group		
	At 1.4.20	Net movement in funds	At 31.3.21
			£
Unrestricted funds			
General Fund - Fixed Asset Reserve	836,586	218,350	1,054,936
Designated reserves	402,587	126,693	529,280
General infrastructure reserve	386,000	58,972	444,972
Revaluation reserve	320,955	-	320,955
	1,946,128	404,015	2,350,143
Restricted funds			
Restricted operating funds	-	-	-
Property maintenance reserve	49,042	-	49,042
Marcella House legacy reserve	26,748	-	26,748
Fareham and Gosport reserve	34,842	(981)	33,861
MJB Charitable Trust funded projects	5,254	1,618	6,872
	115,886	637	116,523
Endowment funds			
Freehold property reserve	300,000	-	300,000
Leasehold property reserve	346,072	(3,482)	342,590
	646,072	(3,482)	642,590

TOTAL FUNDS	2,708,086	401,170	3,109,256
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2 MOVEMENT IN FUNDS 20/21

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

	Incoming resources £	Resources expended £	Group Transfer between funds £	Movement in funds £
Unrestricted funds				
General Fund	6,428,107	(6,150,785)	(46,385)	230,937
Designated reserves	126,693	-	(12,587)	114,106
General infrastructure reserve	-	-	58,972	58,972
Revaluation reserve	-	-	-	-
	6,554,800	(6,150,785)	-	404,015
Restricted funds				
Mayfield Nurseries reserve	-	-	-	-
Property maintenance reserve	-	-	-	-
Marcella House legacy reserve	-	-	-	-
Fareham and Gosport reserve	24,631	(25,612)	-	(981)
MJB Charitable Trust funded projects	83,629	(82,011)	-	1,618
	108,260	(107,623)	-	637
Endowment funds				
Freehold property reserve	-	-	-	-
Leasehold property reserve	-	(3,482)	-	(3,482)
	-	(3,482)	-	(3,482)
TOTAL FUNDS	6,663,060	(6,261,890)		401,170

Comparison

MOVEMENT IN FUNDS

	At 1.4.19	Group Net movement in funds	At 31.3.20 £
Unrestricted funds			
General Fund	663,829	172,757	836,586
Designated reserves	402,587	-	402,587
General infrastructure reserve	386,000	-	386,000
Revaluation reserve	320,955	-	320,955

1,773,371 172,757 **1,946,128**

Restricted funds

Restricted operating funds	-	-	-
Property maintenance reserve	49,042	-	49,042
Marcella House legacy reserve	26,748	-	26,748
Fareham and Gosport reserve	37,400	(2,558)	34,842
MJB Charitable Trust funded projects	4,204	1,050	5,254
	117,394	(1,508)	115,886

Endowment funds

Freehold property reserve	300,000	-	300,000
Leasehold property reserve	349,554	(3,482)	346,072
	649,554	(3,482)	646,072

TOTAL FUNDS

2,540,319 167,767 2,708,086

MOVEMENT IN FUNDS 19/20

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

	Group			
	Incoming resources £	Resources expended £	Transfer between funds £	Movement in funds £
Unrestricted funds				
General Fund	6,156,862	(5,984,105)		172,757
Designated reserves	-	-		-
General infrastructure reserve	-	-	-	-
Revaluation reserve	-	-	-	-
	6,156,862	(5,984,105)		172,757
Restricted funds				
Mayfield Nurseries reserve	-	-	-	-
Property maintenance reserve	-	-	-	-
Marcella House legacy reserve	-	-	-	-
Fareham and Gosport reserve	18,738	(21,296)	-	(2,558)
MJB Charitable Trust funded projects	50,257	(49,207)	-	1,050
	68,995	(70,503)	-	(1,508)
Endowment funds				
Freehold property reserve	-	-	-	-
Leasehold property reserve	-	(3,482)	-	(3,482)
	-	(3,482)	-	(3,482)

TOTAL FUNDS

6,225,857

(6,058,090)

167,767**2
2 MOVEMENT IN FUNDS****Unrestricted reserves**

General Fixed Asset Reserve - funds that represent the net value of all unrestricted fixed assets held by the charity.

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 - £49,042 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 - £26,748 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 £33,861.

MJB Charitable Trust funded projects - funds held £6,872.

Permanent Endowment funds

Freehold property reserve - £300,000 in relation to "The Hollies", a freehold property donated by MJB Charitable Trust.

Leasehold property reserve - £209,500 in relation to "Marcella House", a leasehold property and £133,090 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.

**2
3 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 £126,648 and £32,979 was outstanding at the year end.

SCHEME: TPT Retirement Solutions - The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 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 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

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-21	31-Mar-20	31-Mar-19
	(£s)	(£s)	(£s)
Present value of provision	45,967	54,464	66,070
PRESENT VALUES OF PROVISION			

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31-Mar-21 (£s)	Period Ending 31-Mar-20 (£s)
Provision at start of period	54,464	66,070
Unwinding of the discount factor (interest expense)	1,224	835
Deficit contribution paid	-11,293	-10,964
Re-measurements - impact of any change in assumptions	1,572	-1,477
Re-measurements - amendments to the contribution schedule	-	0
Provision at end of period	45,967	54,464

INCOME AND EXPENDITURE IMPACT

	Period Ending 31-Mar-21 (£s)	Period Ending 31-Mar-20 (£s)
Interest expense	1,224	835
Re-measurements - impact of any change in assumptions	1,572	-1,477

Re-measurements - amendments to the contribution schedule	-	0
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-21	31-Mar-20	31-Mar-19
	% per annum	% per annum	% per annum
Rate of discount	0.66	2.53	1.39

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.

2 4 RELATED PARTY DISCLOSURES

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

Mayfield Nurseries owed a balance of £4,023 (2020: £4,476) at 31.3.21. Solent Mind owed a balance of £0 to Mayfield Nurseries (2020: £0) at 31.3.21.

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 (2020: £1,262) at 31.3.21 and Solent Mind owed Solent Support Solutions £0 (2020: £5,483) at 31.03.21.

On 18th July 2017, Solent Mind participated in creating a joint venture Community Interest Company, named Hampshire Mind CIC, with Havant Mind and Andover Mind and share equal control. Hampshire Mind CIC owed Solent Mind £54,751 (2020: £57,376) at 31.3.21 and Solent Mind owed Hampshire Mind CIC £89 (2020: £116) at 31.03.21.

2 5 CONTINGENT LIABILITIES

As at 31.03.21 Solent Mind has no contingent liabilities (None at 31.03.20).

2 6 POST BALANCE SHEET EVENTS

As at 31.03.21 Solent Mind has had no post balance sheet adjustments made (None at 31.03.20).

2 7 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.

	2021	2020
	£	£
Turnover	414,198	270,148
Cost of sales	(71,665)	(68,291)
Gross profit	342,533	201,857
Operating and administrative expenses	(262,337)	(224,765)
Operating profit	80,196	(22,908)
Profits brought forward	73,289	96,197
Profits retained in subsidiary	153,485	73,289

2 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2021	2020
	£	£
Net income for the reporting period (as per the statement of financial activities)	403,967	167,125
Adjustments for:		
Depreciation	126,241	105,481
Movement in Pension Deficit	(2,797)	642
Add Back Reserve Spending	-	-
(Gain)/loss on disposals	-	-
Less interest received	(3,849)	(5,301)
Decrease/(increase) in debtors	6,947	(255,494)
Decrease/(increase) in inventory	(20,451)	(620)
(Decrease)/increase in creditors	78,165	(193,264)
	-	-
Net cash provided by (used in) operating activities	588,223	(181,431)