

**Sandwell Association for Mental Health**  
**(Company Number 4660523**  
**Registered Charity Number: 1096473)**  
**Financial statements**  
**Year ended 31 March 2007**



**SANDWELL ASSOCIATION FOR MENTAL HEALTH**  
**ANNUAL REPORT**  
**YEAR ENDED 31 MARCH 2007**

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**SANDWELL ASSOCIATION FOR MENTAL HEALTH**

**1**

**OFFICERS AND ADVISORS**

**YEAR ENDED 31 MARCH 2007**

**Registered Office**

3<sup>rd</sup> Floor  
Bradfield House  
Popes Lane  
Oldbury  
West Midlands  
B69 4PA

**Management Committee and trustees**

Monica Shafaq	Chair
Edward Kuczerawy	Treasurer
Michael Price	Trustee
Heather Williams	Trustee
Karen Brown	Trustee
Michael Callaghan	Trustee

**Bankers**

HSBC  
20 High Street  
Smethwick  
West Midlands  
B66 3AN

Bank of Scotland  
55 Temple Row  
Birmingham  
B2 5LS

**Auditors**

PKF (UK) LLP  
New Guild House  
45 Great Charles Street  
Queensway  
Birmingham  
B3 2LX

**Registered Charity No**

1096473

**Registered Company No**

4660523

**Chief Executive and Company Secretary**

Susannah Collins

## TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2007

1 Structure Governance and Management

Sandwell Association for Mental Health is a voluntary organisation constituted as a registered charity and a company limited by guarantee. It is governed by a committee of voluntary trustees (the Management Committee) who are also directors of the company. The trustees also comprise the membership of the charity. Each trustee is given appropriate induction and training relevant to their responsibility. Trustees are encouraged to involve themselves in areas of particular interest through close involvement with the management, staff and users of the charity's services.

The trustees elect officers at the Annual General Meeting including a Chair and Treasurer from amongst their number. The trustees have agreed a set of 'role descriptions' and 'person specifications' in respect of the officer roles (Chair, Treasurer) and the general trustee role. New trustees are usually recruited by word of mouth using these tools, and are appointed by the committee after first attending as an observer. Candidates to strengthen the committee are always welcomed, especially those with knowledge of mental health problems. New trustees are assisted in becoming familiar with the activities of the charity, and further training for all trustees is planned around governance and mental health issues.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of control, financial and otherwise. The systems of internal control are designed to provide reasonable, although not absolute, assurance against material misstatement or loss. They include

- A strategic plan and an annual budget approved by trustees
- Regular consideration by the trustees of financial results, variance from budgets, non-financial performance indicators and bench-marking reviews
- Delegation of authority and segregation of duties
- Identification and management of risks

In addition to the AGM the Management Committee meets six times a year. A Finance and General Purposes sub-committee, chaired by the Treasurer, meets four times a year.

Responsibility for strategy, planning and the day-to-day management of operations is delegated to an executive team of managers led by the Chief Executive, who also acts as Company Secretary. The current Chief Executive is Susannah Collins, appointed to post on 6<sup>th</sup> November 2007, following the retirement of the previous Chief Executive Martin Mueller, after 13 years of employment with the organisation. Formal reporting by the Chief Executive to the trustees takes place regularly throughout the year.

A team of around 80 staff report to the Chief Executive through a line management structure at the head of which are the Care and Support Services Manager – Joe Martin, the Finance Manager – Navdip Pawar and the Personnel Manager – Lou Tracey.

Sandwell Association for Mental Health is affiliated to Mind (the National Association for Mental Health), and operates under the name Sandwell Mind.

2 Objects and Activities

The objects of Sandwell Mind are to

*promote the preservation and the safeguarding of mental health and the relief of persons suffering from mental disorder*

**TRUSTEES' REPORT**

**YEAR ENDED 31 MARCH 2007**

In doing this Sandwell Mind is committed to

- o Actively involving service users in all matters significantly affecting service delivery
- o Promoting the interests, rights, choices and well-being of Sandwell people experiencing mental ill-health
- o Campaigning to reduce the stigma associated with mental illness
- o Providing an effective local service, sensitive to diverse cultures and individual needs
- o Providing high quality, welcoming and accessible services in a variety of social settings
- o Consulting and working effectively with the statutory and voluntary sector to develop appropriate services which encourage independence and enhance quality of life

This is implemented through the provision of a number of services

**Residential Care**

*Nicholl Grange Care Home*

Residential care for 14 people structured to comprise a 10-bed unit with 4 one-bedroom flats in West Bromwich. The staff team provide care and support 24 hours a day. The home caters both for people who have a long-term need for such a setting, as well as for some who wish to develop their independent living skills prior to moving on. There are 4 more one-bedroom flats attached to this scheme where the residents receive support from the care home staff and staff from the Supported Housing Team.

*The Gables Care Home*

Residential care for individuals in a 14-bed unit in Smethwick. The staff team provide care and support 24 hours a day. The home caters both for people who have a long-term need for such a setting as well as some who wish to develop their independent living skills prior to moving on.

Expenditure on Residential Care during the year was £831,218, a decrease of £39,337 on the previous year due to a one-off settlement claim in 2005-06.

**Supported Accommodation**

*The Willows*

A 6 unit shared home for those not needing residential care, but who require low-level support from visiting staff.

*Gharana*

A scheme of 13 one-bedroom flats in Smethwick providing supported housing for up to 2 years for people who have a mental health problem and who would benefit from Asian-specific service.

*Supported Flats Scheme*

A scheme of 33 one-bedroom flats dispersed throughout Sandwell providing long- and short-term supported housing for people who have mental health problems.

**TRUSTEES' REPORT**

**YEAR ENDED 31 MARCH 2007**

*On Hand Scheme*

A Floating Support scheme supporting 177 people throughout the borough who have mental health problems to maintain independent living in their own homes

Expenditure on Supported Accommodation during the year was £888,450, a decrease of £17,343 from the previous year

**Day Services**

Following developments during 05/06, Sandwell Mind's Day Services and Self Help project were restructured to comprise

*Community Groupwork*

Community based groupwork and drop-ins, structured to provide social, leisure, educational and therapeutic opportunities for people in Sandwell who have mental health problems, facilitating social and community integration

*Wellbeing*

The Refresh Wellbeing Centre was opened in October 2006 following several months of refurbishment within the premises previously housing the Daybreak Day Centre. Refresh is open to the general public and focuses on positive wellbeing and personal development. The centre offers a range of core activities evidenced to have positive impact on mental wellbeing, as well as being beneficial for physical wellbeing. Self-Help courses have been specifically developed and their delivery at Refresh forms the beginnings of a self-help facility co-ordinated by Sandwell Mind and set in a context of the wellbeing approach and facilities available within Refresh. Refresh is pro-active within the community offering information and services within the workplace, other care settings, and via social prescribing.

Expenditure on Day Services during the year was £327,041, an increase of £71,310 on the previous year due to remodelling of the service.

**Training**

The training service provides an in house training service to all staff relating to the full range of legislative and specialist knowledge relevant to provide competent services of a high standard.

Training is provided externally to a range of organisations regarding mental health and related issues. Training for users of other services and the general public relating to mental health and the range of self help issues is also provided.

Expenditure on External Training during the year was £26,517 and relates to the development of the service.

Sandwell Mind's services are carried out in association with a number of partners. Amongst these are Sandwell MBC, Sandwell PCT, Jephson Housing Association, Sandwell Homes and the Sandwell Mental Health NHS and Social Care Trust.

**3     Achievements and Performance**

In addition to those performance issues mentioned above, a number of more general matters are worthy of note.

## TRUSTEES' REPORT

## YEAR ENDED 31 MARCH 2007

- In December 2006 both the Gables and Nicholl Grange Care Homes received unannounced inspections from CSCI (the Commission for Social Care Inspection) with results of an extremely high standard achieved by both homes
- Quality monitoring systems for services across the organisation were implemented and continue to develop
- Training services within the organisation have been developed in order to provide comprehensive and ongoing training for all staff covering the range of legislative and skills knowledge relevant to Sandwell Mind and its services
- A social prescribing pilot aimed at reducing GP pressure and medical prescription for low level people experiencing low level mental health problems was designed between the local PCT and the Refresh Wellbeing centre and will be implemented during 2007
- A pilot befriending scheme, making use of trained volunteers to support users of services was planned for implementation during 2007
- The housing services occupancy rates for the year to 31<sup>st</sup> March 2007 were as follows

	Year to 31 03 07	Year to 31 03 06
Project	Occupancy %	Occupancy %
Gharana	97.7	90.0
Nicholl Grange Care Home	92.8	99.4
Nicholl Street Supported Flats	100.0	100.0
Gables Care Home	99.0	95.1
108 St Paul's Road Supported Flats	87.5	100.0
Supported Housing	99.2	91.0
Willows	90.4	98.7
Average (weighted for no. of units)	96.9	94.4

4 Financial Review

The trustees note that the results show that the Association's total income exceeded its expenditure by £208,346. This compares with a figure of £162,192 in 2005/06. The excess of income over expenditure is primarily due to surpluses generated on services, increased income from bank interest on funds held by the Association.

Trustees are pleased to note the increase in the General (unrestricted) fund to £914,878.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2007

5 Reserves and Investment

The reserves policy of the Association, developed in line with the recommendations of the Charity Commission, has highlighted the need to increase the level of reserves to equate to running costs for four months plus staff redundancy and annual leave entitlement costs making the requirement approximately £865,675. At present free reserves stand at £865,610, which is unrestricted reserves after the financing of fixed assets.

To date the trustees have taken the view that the Association's reserves should remain easily accessible, so they have been deposited in a bank account yielding interest at the Bank of England Base Rate, but with no notice of withdrawal required.

Looking forward to current and future financial years the trustees are mindful of the fact that funding levels for specific services have been reduced, and that these parallel national reductions. The charity has taken steps to bring capacity into line with future funding. The trustees are pleased to note the increase in reserves towards the current modest target in light of these reductions, combined with the level of service delivered and the need to responsibly maintain security of delivery for service users.

The trustees intend to keep under review their policy on investment of reserves taking into account the free reserve level as outlined above.

6 Risk Management

The trustees have introduced a formal strategic risk management process to assess business risks and implement risk management strategies. Operational risk assessment and management addresses the following areas, all of which will be reviewed on an annual basis - Loss of income, Risk of Adverse Publicity, Loss of Key Staff, Loss of Management Committee Members, Lack of Organisational Vision, Breach of Health & Safety, Financial Fraud or Error, Business Interruption/Contingency, and ICT failure.

7 Future Operations

Sandwell Mind will continue the process of ongoing service review in order to ensure that quality, relevance and stability of service remain paramount.

The charity will review its focus within the communities of Sandwell, addressing the unique potential of the organisation to promote and facilitate social inclusion and community integration, and the essential role of raising the profile and reducing stigma relating to mental health.

Sandwell Mind's training activities will be further developed both internally and externally during the year, building staff skills and raising awareness across the community.

Sandwell Mind will continue to focus upon the development of social support structures and services to protect mental health and promote recovery, building upon the work of Community Groupwork services, Wellbeing services, Training and the new Befriending scheme.

The redevelopment of the Willows supported housing scheme is ongoing in partnership with Jephson Housing Association with a target date for completion during 2008.



TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2007

8 Merger

Merger discussions between Sandwell Mind and neighbouring Dudley Mind took place during 2006/07. Following careful consideration both organisations agreed that a merger would not be the best way to proceed at this stage.

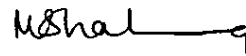
9 Statement regarding information given to auditors

Each of the trustees has confirmed that so far as s/he is aware, there is no relevant audit information of which the company's auditors are unaware, and that s/he has taken all the steps that s/he ought to have taken as a trustee in order to make her/himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

10 Basis of accounting

These accounts have been drawn up in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in November 2005 ("SORP 2005") and in accordance with the Companies Act 1985.

Approved on behalf of the management committee

  
M Shafaq  
Chair

19 October 2007

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**YEAR ENDED 31 MARCH 2007**

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees are required to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity, including its income and expenditure, for that period. In preparing these financial statements the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TO THE MEMBERS OF SANDWELL ASSOCIATION FOR MENTAL HEALTH**

We have audited the financial statements of Sandwell Association For Mental Health for the year ended 31 March 2007 which comprise the statement of financial activities, summary income and expenditure account, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity'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**

The responsibilities of the trustees (who are also the directors of the company for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the trustees' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

**In our opinion**

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees' report is consistent with the financial statements

PKF (UK) LLP

PKF (UK) LLP  
Registered Auditors

**BIRMINGHAM**

8 November 2007

## STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2007

	Notes	Un Restricted Funds £	Restricted Funds £	Total 2007 £	Total 2006 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary Income					
Donations		20,325	-	20,325	199
Activities for generating funds					
Fundraising		-	-	-	1,406
Training		17,450	11,353	28,803	2,340
Investment Income					
Bank Interest		43,659	-	43,659	33,851
Incoming resources from charitable activities					
Contracts and charges					
Residential Care		882,354	208	882,562	832,135
Supported Accommodation		1,045,698	-	1,045,698	1,027,313
Day Services		256,194	29,010	285,204	306,598
Other Incoming resources					
Other		427	-	427	8,001
Disposal of fixed assets		956	-	956	127
<b>Total incoming resources</b>	<b>2</b>	<b>2,267,063</b>	<b>40,571</b>	<b>2,307,634</b>	<b>2,211,970</b>
<b>Resources expended</b>					
Cost of generating funds					
Costs of generating voluntary income		-	-	-	384
Activities for generating funds					
Training		16,427	10,090	26,517	-
Charitable activities					
Residential Care		830,765	453	831,218	870,555
Supported Accommodation		886,321	2,129	888,450	905,793
Day Services		298,378	29,010	327,388	255,731
Governance costs	<b>3</b>	<b>25,715</b>	<b>-</b>	<b>25,715</b>	<b>17,315</b>
<b>Total resources expended</b>	<b>4</b>	<b>2,057,606</b>	<b>41,682</b>	<b>2,099,288</b>	<b>2,049,778</b>
<b>Net incoming resources and net movement in funds</b>		<b>209,457</b>	<b>(1,111)</b>	<b>208,346</b>	<b>162,192</b>
Fund balances brought forward at 1 April 2006 before transfers		589,851	127,357	717,208	555,016
Prior Period Adjustment	<b>11</b>	<b>119,341</b>	<b>(119,341)</b>	<b>-</b>	<b>-</b>
Fund balances brought forward at 1 April 2006 restated		709,192	8,016	717,208	555,016
Fund balances carried forward at 31 March 2007		918,649	6,905	925,554	717,208

All amounts relate to continuing operations

## INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2007

	2007 £	2006 £
Income	2,244,060	2,178,119
Operating expenses	<u>2,075,517</u>	<u>2,042,712</u>
Operating surplus	168,543	135,407
Interest receivable	<u>43,659</u>	<u>33,851</u>
Surplus for the year	<u>212,202</u>	<u>169,258</u>

All amounts relate to continuing operations The company has no recognised gains or losses other than the surplus for the year

No provision for taxation is necessary The company is a registered charity and has no taxable income

## BALANCE SHEET

31 MARCH 2007

	Notes	2007		2006	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		54,944		58,965
<b>Current assets</b>					
Debtors	8	53,169		71,142	
Cash at bank and in hand		<u>1,054,608</u>		<u>834,019</u>	
		1,107,777		905,161	
<b>Creditors</b> , amounts falling due within one year	9	<u>(237,167)</u>		<u>(246,918)</u>	
<b>Net current assets</b>			<u>870,610</u>		<u>658,243</u>
<b>Net assets</b>	10		<u>925,554</u>		<u>717,208</u>
<b>Funds</b>					
General			918,649		589,851
Restricted	11		<u>6,905</u>		<u>127,357</u>
			<u>925,554</u>		<u>717,208</u>

The accounts were approved by the trustees and authorised for issue on 19 October 2007  
and signed on their behalf by

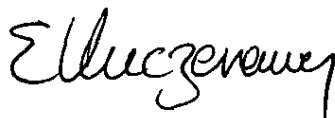
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TRUSTEES

E KUCZERAWY



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

## 1. Accounting policies

The main accounting policies adopted in the preparation of these accounts are

a) **Basis of accounting**

These accounts have been drawn up on the historical cost convention as modified by the revaluation of certain assets and in accordance with the Statement of Recommended Practice "accounting and reporting by charities" issued in November 2005

As a result of the implementation of SORP 2005, certain comparative figures have been restated. There is no effect on total funds or net incoming resources

b) **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity and which have not been designated for other purposes

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal under which they were raised. Any unexpended balance at the balance sheet date is carried forward as a restricted income fund

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes that do not contain legally binding restrictions

c) **Incoming resources**

Donations, legacies and grant income are on a receipts basis unless the subject of a contractual commitment by the donor when they are accounted for on a receivable basis

Income from rents and charges is recognised on an accruals basis according to chargeable occupancies

Income on bank deposits is accounted for on the accruals basis

d) **Resources expended**

Support costs, which include the central office functions such as general management, payroll administration budgeting and accounting, care and support services management, information technology and human resources are allocated across the categories of charitable expenditure

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources

- (a) Finance and administration is allocated on the basis of hours worked in the cost centre, chief executive costs are allocated on the basis of income and care and support services management is allocated on the basis of line management
- (b) Human resources costs are allocated on the basis of the full time equivalent staff
- (c) Information technology cost is allocated on the basis of supported work stations
- (d) Internal training is allocated on the basis of number of training hours provided



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

## 1. Accounting policies (continued)

Costs of generating funds

Funds are those incurred in seeking voluntary contributions

Charitable activities

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the charity, including the costs of disseminating information in support of charitable activities. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads

Governance costs

Governance costs comprise all costs identified as wholly or mainly attributable to ensuring that the public accountability of the charity and its compliance with regulation. These costs include external and trustee costs

e) **Fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful lives at the following annual rates using the straight-line method

Furniture, fittings and equipment	20.0%
I.T. equipment	33.3%
Motor vehicles	25.0%

f) **Gifts in kind**

The value of the work done by volunteers is not considered material in the context of the financial statements and as such a value has not been placed on these gifts in the financial statements

g) **Taxation**

No corporation tax has been provided in these accounts because the income of the Charity is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988

h) **Operating lease rentals**

Operating lease rentals are charged to the income and expenditure account on a straight line basis over the lease term

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

## 2. Incoming resources by source

	2007 £	2006 (Restated) £
Supporting people	1,017,460	1,079,043
Rents & charges received	855,199	727,829
Sandwell PCT and Sandwell MBC	273,339	282,060
Sandwell MBC	68,840	68,840
Sandwell MBC - Greets Green Partnership	7,784	-
Investment income & interest	43,659	33,851
Other income	17,451	20,145
Other grants	23,484	-
Charitable donations	418	199
	<u>2,307,634</u>	<u>2,211,970</u>

## 3. Governance costs

	2007 £	2006 £
Apportionment of costs supporting governance activities	9,657	10,033
Professional fees	7,817	-
Trustees costs	301	282
Audit fees	7,940	7,000
	<u>25,715</u>	<u>17,315</u>

## 4. Total resources expended

	Staff Costs £	Depre- Ciation £	Other costs £	Total 2007 £	Total 2006 £
Cost of generating funds	-	-	-	-	384
External Training	10,757	57	15,703	26,517	-
Costs of charitable activities					
Residential Care	613,264	8,151	209,803	831,218	870,555
Supported Accommodation	702,873	21,874	163,703	888,450	905,793
Day Services	232,313	4,866	90,209	327,388	255,731
Governance	7,785	210	17,720	25,715	17,315
	<u>1,566,992</u>	<u>35,158</u>	<u>497,138</u>	<u>2,099,288</u>	<u>2,049,778</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

## 5 Support costs

	Finance/ admin & general manage- ment £	HR £	IT £	Internal training £	Total 2007 £	Total 2006 £
Cost of generating voluntary income	-	-	-	-	-	18
Cost of charitable activities						
Residential Care Supported	92,367	11,059	248	11,137	114,811	122,280
Accommodation	99,477	13,041	2,103	15,403	130,024	140,432
Day Services	43,312	5,307	1,360	5,080	55,059	47,150
External Training	1,124	73	54	19	1,270	-
Governance costs	-	-	-	-	25,715	17,315
	<u>236,280</u>	<u>29,480</u>	<u>3,765</u>	<u>31,639</u>	<u>326,879</u>	<u>327,195</u>

## 6. Staff costs

	2007		2006	
	£	£	£	£
Wages and salaries				
Payroll	1,395,832		1,283,757	
Employers social security costs	<u>127,721</u>		<u>115,338</u>	
		1,523,553		1,399,095
Agency costs		21,239		83,113
Recruitment costs		<u>25,217</u>		<u>19,892</u>
		<u>1,570,009</u>		<u>1,502,100</u>

No employee earned in excess of £50,000 per annum

The average number of full-time employees, analysed by function is

	2007 Number	2006 Number
Direct charitable services	70	69
Management and administration	<u>8</u>	<u>7</u>
	<u>78</u>	<u>76</u>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

## 7 Tangible fixed assets

	Furniture and equipment at centres £	Office furniture and equip- ment £	Total £
<b>Cost</b>			
Beginning of year	227,235	58,036	285,271
Additions	29,122	2,476	31,598
Disposals	2,292	-	2,292
<b>End of year</b>	<b>254,065</b>	<b>60,512</b>	<b>314,577</b>
<b>Depreciation</b>			
Beginning of year	177,779	48,527	226,306
Charge for year	28,143	7,476	35,619
Disposals	2,292	-	2,292
<b>End of year</b>	<b>203,630</b>	<b>56,003</b>	<b>259,633</b>
<b>Net book amount</b>			
<b>End of year</b>	<b>50,435</b>	<b>4,509</b>	<b>54,944</b>
<b>Net book amount</b>			
<b>Start of year</b>	<b>49,456</b>	<b>9,509</b>	<b>58,965</b>

Included in tangible fixed assets are assets with a net book value of £4,509 (2006 -£9,509) used for management and administration

## 8. Debtors

	2007	2006
	£	£
Rents, charges and housing benefit	10,053	36,381
Prepayments	34,391	34,761
Other Debtors	8,725	-
	<b>53,169</b>	<b>71,142</b>

## 9. Creditors: amounts falling due within one year

	2007	2006
	£	£
Rents, charges and housing benefit	140,750	56,365
Other taxation and social security	32,124	34,136
Accruals	28,831	21,754
Other creditors	35,462	134,663
	<b>237,167</b>	<b>246,918</b>

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

## 10. Analysis of net assets between funds

	General fund £	Restricted fund £	Total funds £
<b>Fund balances at 31 March 2007</b>			
<b>Are represented by:</b>			
Tangible fixed assets	53,039	1,905	54,944
Current assets	1,102,777	5,000	1,107,777
Current liabilities	(237,167)	-	(237,167)
	<u>918,649</u>	<u>6,905</u>	<u>925,554</u>

## 11. Statement on movement of funds

	Balance at start of year £	Prior Period Adj £	Balance at the start of the year restated £	Movement in resources Incoming £	Outgoing £	Balance at end of year £
<b>Unrestricted income funds</b>						
- General Reserve	589,851	119,341	709,192	2,267,063	2,057,606	918,649
<b>Restricted funds</b>						
Self Help	57,491	(57,491)	-	-	-	-
Daybreak	61,850	(61,850)	-	-	-	-
Day Services	-	-	-	29,010	29,010	-
SCVO	5,000	-	5,000	-	-	5,000
Global Grants	-	-	-	3,569	2,889	680
Greets Green Partnership	-	-	-	7,784	7,201	583
Other	245	-	245	208	453	-
Supported Housing Extension	2,415	-	2,415	-	1,845	570
Ikea	311	-	311	-	248	63
Sandwell MBC Gharana Set up	45	-	45	-	36	9
	<u>127,357</u>	<u>(119,341)</u>	<u>8,016</u>	<u>40,571</u>	<u>41,682</u>	<u>6,905</u>
	<u>717,208</u>	<u>-</u>	<u>717,208</u>	<u>2,307,634</u>	<u>2,099,288</u>	<u>925,554</u>

**Sandwell Council of Voluntary Organisations (SCVO)** - To assist in training within the community

**Global Grants** - To develop training for people with mental health problems

**Greets Green Partnership** - To work with the Greets Green Healthy Minds Project

**Other Funds & Remaining Balances** - The other funds and all other balances transferred from the unincorporated charity include depreciation of furniture and equipment purchased in earlier years from restricted funds

**Self Help & Daybreak** - Following a review of the funding agreement it has been recognised that the funds received from Sandwell PCT for the provision of Day Centre and Self-Help services should be treated as a service level agreement and hence recognised as unrestricted funds. The opening balance has been restated to reflect this change

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

**12. Transactions with trustees**

The trustees received total expenses of £266 (2006 £152) in the period as reimbursement of the costs of travelling to meetings

The trustees received no remuneration in the year (2006 £nil)

Insurance to indemnify the trustees against default on their part is included as part of the overall insurance package purchased by the charity

**13. Operating leases**

Rentals payable under operating leases are due as follows

	2007		2006	
	Land and buildings £	Office Equipment £	Land and Buildings £	Office Equipment £
Within one year	12,500	1,960	-	-
Within two to five years	-	4,402	12,500	1,636
	<u>12,500</u>	<u>6,362</u>	<u>12,500</u>	<u>1,636</u>

Operating lease rentals of £33,193 were spent in the period in relation to land buildings and £2,687, in relation to office equipment