

Sandwell Mind
Company Number 4660523
Registered Charity Number: 1096473
Annual Report
Year ended 31 March 2012

COMPANIES HOUSE

SANDWELL MIND
ANNUAL REPORT
YEAR ENDED 31 MARCH 2012

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SANDWELL MIND

1

OFFICERS AND ADVISORS

YEAR ENDED 31 MARCH 2012

Registered Office

3rd Floor
Bradfield House
Popes Lane
Oldbury
West Midlands
B69 4PA

Management Committee and Trustees

Pauline Naughton (appointed 14 July 2011)	Chair
David Saunders (appointed 14 July 2011)	Treasurer
Jagdish Gill	Trustee
Emma Jane Harrison (appointed 1 March 2011)	Trustee
Edward Kuczerawy	Trustee
Teresa Mingay	Trustee
Caron Thompson	Trustee
Stephen Weaver	Trustee
Nicole Danks (resigned 22 March 2012)	Trustee

Bankers

HSBC
120 High Street
Smethwick
West Midlands
B66 3AN

Bank of Scotland
Pentland House
8 Lockside Avenue
Edinburgh
EH12 9DJ

Auditor

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

Monica Shafaq

Senior Officers

Claire Dale – Director of Operations (Deputy Chief Executive)
Louise Brffin – Director of Finance
Kate Hepburn – Director of Human Resources

TRUSTEES' REPORT**YEAR ENDED 31 MARCH 2012****1. Structure Governance and Management**

Sandwell Mind is a voluntary organisation constituted as a registered charity and a company limited by guarantee governed by its Articles of Association. 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 a 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. These have been reviewed and a more structured recruitment and induction process has been introduced. Three new members have joined the management committee during this accounting year and a recruitment exercise has been undertaken to attract others in the forthcoming months.

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:

- an annual budget approved by Trustees,
- regular consideration by the Trustees of financial results, variance from budgets, nonfinancial performance indicators and benchmarking reviews,
- delegation of authority and segregation of duties,
- identification and management of risks.

In addition to the AGM the Management Committee meets four times a year. There is a Finance & General Purposes Committee which is chaired by the Treasurer. There are four members of the Finance & General Purposes Committee which considers issues relating to finances such as regular review of management accounts, service planning, and human resources. An Operations Committee also meets four times a year which is chaired by the Chair with attendance at the meetings being open to all Trustees with areas for discussion based around service delivery issues and development.

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. Formal reporting by the Chief Executive to the Trustees takes place regularly throughout the year. The committee meeting protocol continues to be updated to ensure that there is a regular review of key issues, such as investment, risk management, performance data and regulatory monitoring.

Following a restructure of the management team in September 2010, and the introduction of the Charity's new Improving Access to Psychological Therapies (IAPT) 'Talking In Mind' service, a team of 100 staff report to the Chief Executive through an executive management team consisting of the Director of Operations who is also the Deputy Chief Executive, Director of Finance and Director of Human Resources.

Sandwell Mind has been affiliated to Mind (the National Association for Mental Health) since 1973. The organisation is developing its partnership working with statutory services and not-for-distribution organisations. It has entered into a consortium arrangement with three other organisations to develop a wide range of service delivery in the Black Country area.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2012

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

Our Mission to promote and support better mental health across Sandwell

Our Aims:

- | | |
|------------------|--|
| Recovery | to deliver high quality and appropriate services for people who experience mental ill health, promoting recovery, independence and integration at all times |
| Inclusion | to facilitate and support community integration and participation for people with mental health problems |
| Awareness | to raise awareness of mental health across the communities of Sandwell, to challenge stigma associated with mental illness, to promote and support positive mental health across the communities of Sandwell |

Sandwell Mind's Core Values are as follows

Quality

We are committed to achieving and maintaining appropriate standards for the organisation and its services, and to building, supporting and maintaining a skilled, high quality workforce to ensure excellent service delivery and governance

Access and Equality

Our commitment to equality is reflected in our policies, practices and services. This commitment goes beyond our ethos to promote equality and challenge discrimination. It involves an active commitment to identifying areas where inequality of access to mental health services and support exists for individuals and groups across the diverse communities of Sandwell, and to developing structures to address this wherever possible.

Continuous Improvement and Development

We will carry out structured and regular review of the organisation and its services, their quality and their impact in order to inform and influence development. We will build skills and seek resources to implement new services and/or facilities in response to identified need.

Partnership

We are accountable to all our stakeholders and are committed to making sure the views and needs of our service users, funders and other partners are listened to. We will work with service providers and policy makers to have influence into the development of services and strategies which impact the communities we exist to serve.

Sustainability

We have a responsibility to our service users and the communities in which they live to ensure that the services we develop and deliver are sustainable, and to ensure that resources are responsibly managed and allocated.

TRUSTEES' REPORT**YEAR ENDED 31 MARCH 2012**

The Trustees have referred to the Charity Commission's general guidance on public benefit and feel that the existing aims and values meet the requirement set out for small charities. A review of the mission, aims and core values has been undertaken and it is felt that they remain relevant to the charity's purposes. A review of the charity's governance structure and how it can support the charity's ability to meet these aims was undertaken in November 2010 with the new structure taking effect from April 2011.

How Our Activities Deliver Public Benefit

Our aims and funding originally limited the services we provided to those who are resident in Sandwell. According to the 2001 Census Data information, there are some 287,500 people living within Sandwell. The Office for National Statistics published 2006 based sub-national population projections on 12th June 2008, which cover the period 2006-2031 and give an indication of the future trends in population over the next 25 years. They are trend based projections, which means assumptions for future levels of births, deaths and migration are based on observed levels mainly over the previous five years. They show what the population will be if recent trends in these continue. The 2006 based projections show a much greater increase in Sandwell's population than the previous 2004 based projections. They indicate that the population will increase between 2006 and 2031 by 35,600, an increase of 12.4%. Sandwell is also projected to experience a considerable ageing of the population. The population aged 60 and over is expected to increase by 18,600 (+30.9%) between 2006 and 2031. The greatest increase within this category is expected to be those aged 85+ (+4,600, +80.7%). The only age group showing a decrease is the 35-39 age group.

Mental health illness impacts people of all ages and economic backgrounds. Some illnesses are clinically diagnosed whereas others are not which makes it difficult to determine the number of people requiring mental health service provision. Our funding limits those we can help, for example, our floating support service (SORT) can deal with just 177 individuals at any one time. This service is provided free of charge to individuals and demand for this service is high with referrals being received from professional organisations as well as individuals.

Equal access to all of our services is of paramount importance. The management team have developed a standardised monitoring form which is used across all service areas to ensure that effective equality monitoring can take place and any gaps easily identified. Any weaknesses identified are included within the charity's Service Improvement Plan. We believe that equal access to our services is vital to our success and that successful outcomes must be shared by all sections of the community.

TRUSTEES' REPORT**YEAR ENDED 31 MARCH 2012**

Our main activities for the year continued to meet Sandwell Mind's Mission and Aims and were 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. In addition there are four one-bedroom flats attached to this scheme where the residents receive support from the care home staff to facilitate a greater degree of long-term independent living. Without such a service, local people suffering from mental health illness would not be able to gain the support and confidence to live fulfilling and independent lives.

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. Again, services of such a nature are limited within the Sandwell borough meaning that its provision allows the organisation to meet its aims around recovery and inclusion.

Expenditure on Residential Care during the year was £974,886, an increase of £50,111 on the previous year.

Supported Accommodation*Parkside Place*

This replaced The Willows in June 2010 and offers 10 units of accommodation for a period of up to two years for individuals who do not need residential care, but who do benefit from low-level support from staff who visit on a regular basis.

Gharana

This is a scheme of 13 one-bed roomed flats in Smethwick providing supported housing for a period of up to two years for people who have mental health challenges. This service is specifically aimed at the needs of the Asian community to those who are traditionally excluded, their needs can be met. The service also helps to raise awareness of mental health issues in a community where often such illnesses are stigmatised. This in turn also helps the organisation to meet its aims of raising awareness.

Supported Flats Scheme

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

Expenditure on Supported Accommodation during the year was £1,000,512 an increase of £59,425 on the previous year.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2012

Community Services

SORT Scheme

A Floating Support scheme supporting 177 people who have mental health issues and challenges which helps them maintain independent living in their own homes

Community Wellbeing

Community Wellbeing's services are available on a self-referral basis. They are well attended and open to anyone wishing to improve their wellbeing and to better manage their own mental health

Community Wellbeing services include the following strands

- wellbeing group therapies — food & mood, yoga, tai chi, relaxation,
- self-help support groups,
- educational & vocational groups,
- social, leisure & physical groups and events,
- individual therapies — aromatherapy massage, reflexology,
- information, advice and signposting,
- ecotherapy groups,
- self-help skills development sessions and courses,
- specific interest groups — community drop-in, spirituality;
- creative and art therapies/groups,
- counselling services

Some groups are limited to specific demographic groups — for example gender specific, BME groups and those who are experiencing specific mental health challenges

Community Engagement

During the year, a Community Engagement service was introduced with a remit to develop forums which allow service users to engage with the organisation and the People in Mind form

IAPT – Talking In Mind

The service is for individuals who are experiencing mild to moderate anxiety or depression and is delivered on a one-to-one basis using Cognitive Behaviour Therapy techniques. The service operates at step 2 of the stepped care model and referrals are via GP's

Expenditure on Community Services (i.e. Community Wellbeing, SORT, Community Engagement and IAPT) during the year was £528,468, an increase of £149,162 on the previous year

Awareness Raising and Publicity

Sandwell Mind works across the communities of Sandwell to raise awareness, challenge stigma, contribute to local policy and service development, and ensure that services are equally available and accessible to all members of the community. Expenditure on Awareness Raising and Publicity during the year was £3,441. The organisation worked in partnerships throughout the year to ensure that various campaigns such as 'Time to Change', 'Get Moving' and National Mind week are all promoted.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2012

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 also 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 Training provided externally during the year was £18,402 a decrease of £8,815 on the previous year.

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.

Achievements and Performance

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

- Nicholl Grange and The Gables continue to hold a 3 star rating, the highest that can be achieved.
- The development of the Wellbeing Service which has attracted interest nationally from other providers as an example of excellence.
- Agreement with Sandwell PCT for the delivery of an Improving Access to Psychological Therapies project, allowing the Association to recruit one manager, ten trainee practitioners and one data officer. Funding for this project is circa £378,000 per annum.
- The housing services occupancy and service utilisation rates for the year to 31st March 2012 were as follows.

	Year to 31 03 12	Year to 31 03 11
Project	Occupancy	Occupancy
	%	%
Nicholl Grange Care Home	88.5	92.9
The Gables Care Home	90.9	100.0
Supported Accommodation - Supported Housing	99.1	98.2
Average (weighted for no. of units)	92.8	97.5
	Service Utilisation	Service Utilisation
	%	%
Supported Accommodation - Supported Housing Long-Term	100.8	99.2
Supported Accommodation - Supported Housing Short-Term	117.1	114.0
Supported Accommodation - SORT Floating Support	125.3	103.2
Average (weighted for service capacity)	114.4	105.5

TRUSTEES' REPORT**YEAR ENDED 31 MARCH 2012****Financial Review**

The Trustees note that the results show that the Charity's total income before losses on investments of £2,868,823 exceeded its expenditure by £306,394. This compares with a figure of £303,732 in 2010/11. The excess of income over expenditure is primarily due to income generated via surpluses on individual project budgets, the delivery of training services external to the organisation and income from bank interest on funds held by the Association. Trustees are pleased to note the increase in the General (unrestricted) fund to £2,148,078 (2010/11 - £1,874,572).

Reserves and Investment

The reserves policy of the Charity, developed in line with the recommendations of the Charity Commission, has highlighted the need to maintain the level of reserves to equate to budgeted running costs for four months plus staff related contingency costs making the requirement approximately £922,000. At present free reserves stand at £2,120,162 which is general funds after the financing of tangible fixed assets. The Charity is continuing its search for freehold premises and a designated fund of £750,000 has been set aside for property costs. This includes any refurbishment and refitting work which would likely to be incurred by the Charity. Whilst efforts will be made to secure additional funding towards the costs it is felt necessary to work towards designating the whole amount in case funding applications fail. For this reason, the Trustees feel it is prudent to retain additional reserves over and above the £922,000 normally required until such time as the funding position is established.

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.

In 2010 the Trustees took the view that the Charity's reserves should remain readily accessible, so for that year, they were deposited in a bank account yielding interest at the Bank of England Base Rate, but with no notice of withdrawal required. Given the poor return being achieved on the deposit accounts, the Trustees reconsidered their investment policy and during the year took the decision to appoint investment managers to look after some of the reserves. Initially, a total of £1.27m was invested during 2010-11 and a net withdrawal of £500,000 in 2011-12 which has now been reinvested. The Charity devised an investment policy which was to invest in a low risk discretionary fund and this has been implemented by the investment managers.

Risk Management

The Trustees have introduced a formal strategic risk management process to assess business risks and implement a risk management strategy. Operational risk assessment and management addresses the following areas, all of which are 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. A full scale review has been undertaken to ensure that all risks have been identified, are reported at agreed frequencies and as set out in the Risk Management Strategy, and that a risk register is adopted to evidence action against highlighted risks.

TRUSTEES' REPORT**YEAR ENDED 31 MARCH 2012****Future Operations**

Sandwell Mind is continuing the process of an on-going service review in order to ensure that relevance of service and quality, remain a key focus. To achieve this, the charity is developing and implementing its response to necessary major changes regarding public sector delivery and commissioning of services. This will be an on-going necessity for the foreseeable future to ensure the charity remains in a good position to positively respond to the vast high level economic changes currently being implemented.

The charity is making significant progress in developing its work in the wider Black Country region where there is currently no Mind provision. Service delivery has now begun in the Walsall and Wolverhampton areas and we are keen to develop collaborative working with partners to share resources, skills and expertise.

Sandwell Mind has also reviewed its community engagement delivery and service model, and implementing a methodology which addresses 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.

This has enabled the charity to continue to make good progress with the work towards building a volunteering network and services which are aimed at greater and more focussed emphasis on service user involvement to ensure that all practices, from the development of policies and procedures to specific service provision actively takes on the views of those individuals whom the organisation aims to serve.

Sandwell Mind's training activities are being further developed to ensure internally, our organisational development plans ensure staff are well trained and equipped to deliver quality services. In addition, our external training delivery network is due to be expanded in order to raise awareness of the issues of mental health across the wider social and business communities.

Statement Regarding Information Given to the Auditor

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 auditor is 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 auditor is aware of that information.

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") revised in 2008, and in accordance with Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Executive Committee on 13th Sept 2012 and signed on its behalf by

P Naughton
Chair



STATEMENT OF TRUSTEES' RESPONSIBILITIES**YEAR ENDED 31 MARCH 2012**

The Trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. 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 Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

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

We have audited the financial statements of Sandwell Mind for the year ended 31 March 2012 which comprise the statement of financial activities, the income and expenditure account, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 auditor

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 March 2012 and of its 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept in respect of the charity, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements do not accord with the accounting records and returns, or
- certain disclosures of trustee's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

PKF (UK) LLP

Howard Voisey (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditor
Birmingham

10 October 2012

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2012

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2012</u> £	<u>Total 2011</u> £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations		1,124	-	1,124	2,227
Activities for generating funds					
Fundraising		3,577	-	3,577	341
Investment income					
Bank interest		3,225	-	3,225	5,188
Dividend income		43,352	-	43,352	19,913
Incoming resources from charitable activities					
Contract and charges					
Residential care		833,128	-	833,128	848,624
Supported accommodation		1,157,649	-	1,157,649	1,138,779
Day service		727,772	50,332	778,104	539,337
Training		48,664	-	48,664	55,254
Other incoming resources					
Other		-	-	-	1,650
Total incoming resources	2	2,818,491	50,332	2,868,823	2,611,313
Resources expended					
Charitable expenditure					
Residential care	4	974,886	-	974,886	924,775
Supported accommodation	4	1,000,512	-	1,000,512	941,087
Day services	4	478,136	50,332	528,468	379,306
Training	4	18,402	-	18,402	27,217
Awareness raising & publicity	4	3,441	-	3,441	5,463
Governance costs	4,5	36,720	-	36,720	29,733
Total Resources expended	4	2,512,097	50,332	2,562,429	2,307,581
Net incoming resources		306,394	-	306,394	303,732
(Losses) / gains on investments		(32,888)	-	(32,888)	50,403
Net movement in funds		273,506	-	273,506	354,135
Fund balances brought forward at 1 April 2011		1,874,572	-	1,874,572	1,520,437
Fund balances carried forward at 31 March 2012		2,148,078	-	2,148,078	1,874,572

All amounts relate to continuing operations

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2012

	2012 £	2011 £
Income	2,822,246	2,586,212
Operating expenses	<u>2,562,429</u>	<u>2,307,581</u>
Operating Surplus	259,817	278,631
Interest and similar income receivable	46,577	25,101
Surplus before gains on investments	<u>306,394</u>	<u>303,732</u>
Realised gains on investments	12,909	50,403
Surplus for the year	<u>319,303</u>	<u>354,135</u>

All amounts relate to continuing operations

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

SANDWELL MIND

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BALANCE SHEET

YEAR ENDED 31 MARCH 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	7		27,916		59,893
Investments	8		830,780		1,320,316
Current assets					
Debtors	9	255,404		110,447	
Cash at bank and in hand		1,246,811		639,134	
		1,502,215		749,581	
Creditors: amounts falling due					
Within one year	10	(192,833)		(187,855)	
Net current assets			1,309,382		561,726
Total assets less current liabilities			2,168,078		1,941,935
Provisions for liabilities and charges	11		(20,000)		(67,363)
Net assets	12		2,148,078		1,874,572
Unrestricted funds	13				
Designated funds		750,000		750,000	
General funds		1,398,078		1,124,572	
			2,148,078		1,874,572
Restricted funds	13		-		-
Total funds			2,148,078		1,874,572

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The accounts were approved by the Trustees and authorised for issue on 13th Sept 2012 and signed on their behalf by

P Naughton

D Saunders

TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

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 under 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 ("SORP 2005" revised 2008) and the Financial Reporting Standard for Smaller Entities (effective April 2008)

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. Income from quoted investments is recognised at the date the dividend is due.

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, in proportion to total direct spend in each activity.

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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

1. Accounting policies (continued)

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 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 of significant value to Sandwell Mind and to the people who use its services. The work of volunteers is greatly appreciated, but in accordance with the SORP no monetary value has been placed on their contribution in the financial statements.

g) **Taxation**

No corporation tax has been provided in these accounts because the income of the Charity is within the exemptions granted by Sections 466 to 493 of the Corporation Taxes Act 2010.

h) **Operating lease rentals**

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

i) **Investments**

Investments have been included at market value as at the balance sheet date. Gains and losses arising from the disposal of investments are calculated at net sales proceeds less carrying value. Unrealised gains and losses on the revaluation of investments are recognised in the statement of financial activities.

j) **Pensions**

The pension charge in the accounts reflects contributions by the charity to employees' personal pension plans.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

2. Incoming resources by source

	2012	2011
	£	£
Supporting people	957,694	1,006,475
Rents & charges received	976,284	971,341
Sandwell PCT and Sandwell MBC	755,108	473,423
Sandwell MBC - Voluntary Sector Support	75,629	73,784
Investment income & interest	46,577	25,101
Other income	52,830	55,254
Charitable donations	4,701	5,935
	<u>2,868,823</u>	<u>2,611,313</u>

3. Net incoming/outgoing resources

These are stated after charging

	2012	2011
	£	£
Auditor's remuneration		
Audit	9,200	9,000
Other	15,988	3,960
Depreciation	<u>44,467</u>	<u>33,400</u>

4. Total resources expended

	Staff Costs	Depre- ciation	Other costs	Total 2012	Total 2011
	£	£	£	£	£
Costs of charitable activities					
Residential care	715,610	9,221	250,055	974,886	924,775
Supported accommodation	728,382	28,652	243,478	1,000,512	941,087
Day services	470,667	6,128	51,673	528,468	379,306
External training	17,912	362	128	18,402	27,217
Awareness raising & publicity	3,480	11	(50)	3,441	5,463
Governance	5,443	93	31,184	36,720	29,733
	<u>1,941,494</u>	<u>44,467</u>	<u>576,468</u>	<u>2,562,429</u>	<u>2,307,581</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

5. Support costs

	Finance/ admin & general manage- ment £	HR £	IT £	Internal training £	Total 2012 £	Total 2011 £
Cost of charitable activities						
Residential care	129,199	28,704	14,352	14,352	186,607	145,778
Supported accommodation	121,341	26,965	13,482	13,482	175,270	142,455
Day services	90,027	20,006	10,003	10,003	130,039	59,113
External training	3,914	870	435	435	5,654	3,698
Awareness raising & publicity	294	65	33	33	425	909
Governance costs	14,555	3,234	1,617	1,617	21,023	14,119
	359,330	79,844	39,922	39,922	519,018	366,072

Governance costs comprise

	2012 £	2011 £
Apportionment of costs supporting governance activities	21,023	14,119
Professional fees	1,921	1,273
Trustees costs	632	469
Audit fees	9,200	9,000
Other	3,944	4,872
	36,720	29,733

6. Staff costs

	2012 £	2011 £
Wages and salaries		
Payroll	1,549,255	1,379,979
Employers social security costs	128,211	120,608
Employers pension costs	13,413	-
	1,690,879	1,500,587
Agency costs	237,770	233,478
Recruitment costs	12,845	8,957
	1,941,494	1,743,022

One employee earned in excess of £60,000 per annum (2011 – Nil) with associated pension costs being £2,156 for the period (2011 – Nil)

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

	2012 Number	2011 Number
Direct charitable services	57	63
Management and administration	14	9
	71	72

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

7 Tangible fixed assets

	Furniture and equipment at centres £	Office furniture and equipment £	Total £
Cost			
At 1 April 2011	262,199	96,512	358,711
Additions	10,790	5,354	16,144
Disposals	(13,007)	-	(13,007)
Cost at 31 March 2012	259,982	101,866	361,848
Depreciation			
At 1 April 2011	222,258	76,560	298,818
Charge for year	33,008	11,459	44,467
Disposals	(9,353)	-	(9,353)
Depreciation at 31 March 2012	245,913	88,019	333,932
Net book amount at 31 March 2012	14,069	13,847	27,916
Net book amount at 1 April 2011	39,941	19,952	59,893

Included in tangible fixed assets are assets with a net book value of £10,864 (2011 -£19,952) used for management and administration

8 Investments

	2012 £	2011 £
Opening balance at 1 April 2011	1,042,074	-
Additions at cost	625,465	991,671
Disposals	(795,435)	-
(Losses) / gains on investments	(45,797)	50,403
Market value at 31 March 2012	826,307	1,042,074
Cash held at investment managers	4,473	278,242
Total investments held	830,780	1,320,316
Market value at 31 March 2012 comprises		
	2012 £	2011 £
Listed investments - UK	478,263	431,383
- Overseas	348,044	610,691
	826,307	1,042,074

There are 5 investments that are between 5% and 10% of the total portfolio value

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

9. Debtors

	2012 £	2011 £
Rents, charges and housing benefit	26,310	7,900
Prepayments and accrued income	63,193	45,781
Other debtors	165,901	56,766
	<u>255,404</u>	<u>110,447</u>

10. Creditors: amounts falling due within one year

	2012 £	2011 £
Rents, charges and housing benefit	4,919	32,225
Other taxation and social security	48	39,167
Accruals	15,573	65,121
Deferred income - received in the year	96,959	-
Other creditors	75,334	51,342
	<u>192,833</u>	<u>187,855</u>

11. Provisions for liabilities and charges

	2012 £	2011 £
Opening balance	67,363	55,115
(Decrease)/Increase in provision	(47,363)	12,248
Closing balance	<u>20,000</u>	<u>67,363</u>

The provision relates to obligations under contractual liabilities

12. Analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Total funds £
Fund balances at 31 March 2012			
Are represented by:			
Fixed assets	858,696	-	858,696
Current assets	1,502,215	-	1,502,215
Current liabilities	(192,833)	-	(192,833)
Provisions	(20,000)	-	(20,000)
	<u>2,148,078</u>	<u>-</u>	<u>2,148,078</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

13. Statement on movement of funds

	Balance at start of year £	Incoming £	Outgoing £	Transfers/ gains £	Balance at end of year £
Unrestricted funds					
Designated fund	750,000	-	-	-	750,000
General funds	1,124,572	2,818,491	2,512,097	(32,888)	1,398,078
Total unrestricted fund	1,874,572	2,818,491	2,512,097	(32,888)	2,148,078
Restricted funds					
Day Services	-	50,332	50,332	-	-
	-	50,332	50,332	-	-
	1,874,572	2,868,823	2,562,429	(32,888)	2,148,078

14. Transactions with Trustees

The Trustees received total expenses of £632 (2011 £469) in the period as reimbursement of the costs of travelling to meetings

The Trustees received no remuneration in the year (2011 £nil)

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

15. Operating leases

Rentals payable under operating leases are due as follows

	2012		2011	
	Land and buildings £	Office Equipment £	Land and Buildings £	Office Equipment £
Within one year	9,012	2,212	-	-
Within two to five years	-	6,486	21,500	3,647
	9,012	8,698	21,500	3,647

Operating lease rentals of £21,239 (2011 - £21,500) were spent in the period in relation to land and buildings and £6,487 (2011 - £3,647) in relation to office equipment

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

16. Joint venture

During the year, the charity entered in to a joint venture arrangement in Health for Living Limited, a company limited by guarantee, with three other parties. The company is engaged in carrying out activities which are for the betterment of health and wellbeing.

The charity owns 25% of the company and its share of the trading results and assets and liabilities are as follows

	2012 £	2011 £
Turnover	29,685	-
Operating expenses	(18,333)	-
Operating profit / (loss)	11,352	-
Taxation	(2,270)	-
Profit after tax	9,082	-
Fixed assets	-	-
Current assets	11,352	-
Current liabilities	(2,270)	-
Liabilities due after more than one year	-	-
Net assets	9,082	-