

Clarendon

Sandwell Association for Mental Health
(Company Number 4660523
Registered Charity Number: 1096473)
Annual Report
Year ended 31 March 2009

SANDWELL ASSOCIATION FOR MENTAL HEALTH
ANNUAL REPORT
YEAR ENDED 31 MARCH 2009

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SANDWELL ASSOCIATION FOR MENTAL HEALTH

1

OFFICERS AND ADVISORS

YEAR ENDED 31 MARCH 2009

Registered Office

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

Management Committee and Trustees

Claire Hill	Chair (from 09.03.09) Vice Chair (appointed 18.09.08 to 08.03.09) (Vice Chair position currently vacant)
Monica Shafaq	Chair (stood down as Chair and resigned as Trustee 09.03.09 Became Acting Chief Executive with effect 09.03.09)
Edward Kuczerawy	Treasurer
Michael Price	Trustee
Karen Brown	Trustee (resigned 14.12.08)
Caron Thompson	Trustee (appointed 18.09.08)
Nicole Beeching	Trustee (appointed 18.09.08)
Lisa Done	Trustee (appointed 24.08.09)

Bankers

HSBC
120 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 2009

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, Vice 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, however these are currently under review. New Trustees are usually recruited by word of mouth and are appointed by the committee after first attending as an observer. Existing members are currently undertaking a skills audit and candidates who can bring new areas of expertise and generally strengthen the committee are always welcomed. New Trustees are assisted in becoming familiar with the activities of the charity through visits to the projects and discussions with staff members, and further training for all Trustees is planned around governance and mental health issues generally.

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 rolling three year 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 Committee, chaired by the Treasurer, meets four times a year.

Attendance at the meetings of the Finance and General Purposes Committee is open to all Trustees, and issues relating to finances such as regular review of management accounts, service planning, and personnel are considered in detail.

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 Acting Chief Executive has recently devised a committee meeting protocol which outlines the topic and frequency of committee discussions ensuring all matters are reviewed at least quarterly. The protocol allows sufficient flexibility for day-to-day issues to also be discussed.

A team of 73 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.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2009

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 2009

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. Nevertheless, a full scale review of the mission, aims and core values is set to take place in the 2010/2011 to ensure that any further obligations set out by the guidance can be met *and* to ensure that a system is in place which demonstrates how activities meet the intended aims.

How Our Activities Deliver Public Benefit

Our aims and funding limit the services we provide to those 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 SORT service can only deal with 177 individuals at any one time. Demand for this service is high with referrals being received from professional organisations as well as individuals. This service is provided free of charge.

Equal access to our services is of paramount importance. The Trustees and management team are working on how effective monitoring can take place to ensure that gender, race, religious, sexual orientation, disability and age discrimination (amongst other forms of discrimination) does not occur, with an aim of providing the organisations first monitoring study of this nature at the end of the financial year ending 31st March 2010. 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 2009

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 £897,182, a small increase of £11,954 on the previous year.

Supported Accommodation

The Willows

The Willows was a 6 unit shared home for those not needing residential care, but who benefitted from low-level support from visiting staff. This project was closed in June 2009 and has been replaced by a project called Parkside Place.

Parkside Place

This replaces The Willows and offers an additional 4 units than was provided at The Willows. This project officially opened in June 2009. The establishment of this project has meant that an additional four people suffering from mental health illness are able to be supported within Sandwell.

Gharana

This is a scheme of 13 one-bed roomed flats in Smethwick providing supported housing for up to 2 years for people who have a mental health problem. This service however, is specifically aimed at the needs of the Asian community to ensure that the needs of some of those who are traditionally excluded can be met. The service also helps to raise awareness about mental health issues in a community within which such illnesses are often stigmatised. Again, this helps the organisation meet its aims of raising *awareness*.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2009

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 problems.

SORT 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 £974,221, a small increase of £11,087 on previous year.

Day Services

Sandwell Mind's development of delivery away from the traditional structure of day services has been innovative in its focus on building support structures and services within existing community structures, and concentrating on the overall wellbeing – mental, physical, emotional and spiritual – of people accessing the support. The Community Groupwork service and the Refresh Wellbeing Centre were set up during 2006, both projects providing elements of service focussing on delivering structures for supporting people to manage their own mental health and wellbeing, and to stay well.

The Community Groupwork and Wellbeing services were amalgamated to form the Community Wellbeing team in November 2007. These services are available on a self-referral basis, open to anyone living within the borough of Sandwell wishing to improve their wellbeing and better manage their own mental health.

Community Wellbeing services include the following elements:

- 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, particular BME groups, people experiencing specific mental health problems.

Expenditure on Day Services during the year was £240,092, a decrease of £25,975 on the previous year due to remodelling of the service.

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 £11,506. The organisation is working on strengthening existing and developing new partnerships to ensure that any future publicity events and new support services can be delivered in collaboration with partners to ensure the best use of resources and holistic services for potential users.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2009

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 Training provided externally during the year was £32,156, a small increase of £5,362 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.

3. Achievements and Performance

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

- A full review of Supporting People funded services (SORT and Supported Housing) has informally indicated that the service meets level B as a minimum. We are currently awaiting the formal outcome and are hopeful that a level A will be achieved.
- Sandwell Mind continues to hold Investors in People status.
- Nicholl Grange and The Gables were awarded a 3 star rating, the highest that can be achieved, following a review undertaken by the Commission For Social Care Inspection
- The Wellbeing Service has been able to consolidate its provision of activities and as a result has attracted a number of users who are either new to this particular service or have had no contact at all with any mental health care provider in the past. This shows that the service is meeting its aims of being available to a wide range of service users across the Borough.
- The housing services occupancy and service utilisation rates for the year to 31st March 2009 were as follows:

	Year to 31.03.09	Year to 31.03.08
Project	Occupancy	Occupancy
	%	%
Nicholl Grange Care Home	96.10	90.2
The Gables Care Home	100.0	99.2
Supported Accommodation - Supported Housing	96.10	97.2
Average (weighted for no. of units)	96.8	96.3
	Service Utilisation	Service Utilisation
	%	%
Supported Accommodation - Supported Housing Long-Term	98.5	98.7
Supported Accommodation - Supported Housing Short-Term	91.2	95.3
Supported Accommodation - SORT Floating Support	104.3	101.1
Average (weighted for service capacity)	102.4	99.3

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2009

4. Financial Review

The Trustees note that the results show that the Association's total income exceeded its expenditure by £143,237. This compares with a figure of £156,424 in 2008/09. 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 £1,219,628 (2007/08 - £1,075,377).

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 budgeted running costs for four months plus staff related contingency costs making the requirement approximately £1,115,000. Trustees are currently working towards achieving this target. At present free reserves stand at £1,020,234 which is general funds after the financing of fixed assets. A designated fund of £150,000 has been set aside in the year for property development costs.

To date the Trustees have taken the view that the Association's reserves should remain readily 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 target in light of these reductions, combined with the level of service delivered and the need to responsibly maintain security of delivery to 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. A full scale review is planned for 2010/2011 to ensure that all risks have been identified, are reported at agreed frequencies and that a risk register is adopted to evidence action against highlighted risks.

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2009

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 is reviewing areas for development of training and support to people who use services, with particular focus on opportunities for wider development of support training and employment project.

The redevelopment of the Willows supported housing scheme has been ongoing in partnership with Jephson Housing Association with the opening of Parkside Place taking place in June 2009.

The organisation is currently looking at strengthening Governance arrangements by looking at structures, sub committees and levels of delegation. Sandwell Mind hopes to attract further committee members in 2009/2010.

Furthermore, it is aimed that greater and more focussed emphasis is placed 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 also wishes to strengthen its partnerships with local agencies and seek out opportunities for joint projects and access to funding.

8. 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.

9. 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 Part VII of the Companies Act 1985 relating to small companies

This report was approved by the Executive Committee on 24th August 2009 and signed on its behalf by

C Hill
Chair



STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2009

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 2009 which comprise the statement of financial activities, 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 2009 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

14 September 2009

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2009

	Notes	Un Restricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Incoming resources					
Incoming resources from generated funds					
Voluntary Income					
Donations		-	-	-	4,737
Activities for generating funds					
Fundraising		-	419	419	292
Investment Income					
Bank Interest		50,690	-	50,690	64,945
Incoming resources from charitable activities					
Contracts and charges					
Residential Care		898,218	342	898,560	844,178
Supported Accommodation		1,041,106	-	1,041,106	1,085,886
Day Services		254,839	50,333	305,172	304,664
Training		40,147	-	40,147	32,736
Other Incoming resources					
Other		1,241	-	1,241	354
Disposal of fixed assets		-	-	-	352
Total incoming resources	2	2,286,241	51,094	2,337,335	2,338,144
Resources expended					
Charitable activities					
Residential Care		896,515	667	897,182	885,228
Supported Accommodation		973,571	650	974,221	963,134
Day Services		189,759	50,333	240,092	266,067
Training		31,698	458	32,156	26,794
Awareness Raising & Publicity		11,506	-	11,506	17,588
Governance costs	3	38,941	-	38,941	22,909
Total resources expended	4	2,141,990	52,108	2,194,098	2,181,720
Net incoming resources and net movement in funds		144,251	(1,014)	143,237	156,424
Fund balances brought forward at 1 April 2008		1,075,377	6,601	1,081,978	925,554
Fund balances carried forward at 31 March 2009		1,219,628	5,587	1,225,215	1,081,978

All amounts relate to continuing operations.

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2009

	2009 £	2008 £
Income	2,286,645	2,273,199
Operating expenses	<u>2,192,697</u>	<u>2,179,677</u>
Operating surplus	93,948	93,522
Interest receivable	<u>50,690</u>	<u>64,945</u>
Surplus for the year	<u><u>144,638</u></u>	<u><u>158,467</u></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

YEAR ENDED 31 MARCH 2009

	Note s	2009		2008	
		£	£	£	£
Fixed assets					
Tangible assets	7		49,741		59,998
Current assets					
Debtors	8	46,616		59,600	
Cash at bank and in hand		1,478,962		1,208,520	
		<u>1,525,578</u>		<u>1,268,120</u>	
Creditors: amounts falling due within one year	9	<u>(214,989)</u>		<u>(191,025)</u>	
Net current assets			<u>1,310,589</u>		<u>1,077,095</u>
Total assets less current liabilities			1,360,330		1,137,093
Provisions for liabilities and charges	10		(135,115)		(55,115)
Net assets	11		<u>1,225,215</u>		<u>1,081,978</u>
Unrestricted Funds	12				
Designated funds		150,000		-	
General funds		<u>1,069,628</u>		<u>1,075,377</u>	
			1,219,628		1,075,377
Restricted funds	12		5,587		6,601
Total Funds			<u>1,225,215</u>		<u>1,081,978</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the Trustees and authorised for issue on 24th August 2009 and signed on their behalf by:

C HILL



E KUCZERAWY



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TRUSTEES

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

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 ("SORP 2005") and the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 within each cost centre.
- (c) Information technology cost is allocated on the basis of supported work stations within each cost centre.
- (d) Internal training is allocated on the basis of number of training hours provided within each cost centre.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

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 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 2009

2. Incoming resources by source

	2009	2008
	£	£
Supporting people	927,766	971,784
Rents & charges received	942,499	889,622
Sandwell PCT and Sandwell MBC	305,945	308,119
Sandwell MBC - Voluntary Sector Support	71,621	70,218
Sandwell MBC - Greets Green Partnership	2,794	2,736
Investment income & interest	50,690	64,945
Other income	36,020	25,983
Charitable donations	-	4,737
	<u>2,337,335</u>	<u>2,338,144</u>

3. Governance costs

	2009	2008
	£	£
Apportionment of costs supporting governance activities	24,204	12,002
Professional fees	805	-
Trustees costs	363	153
Audit Fees	10,531	8,891
Other	3,038	1,863
	<u>38,941</u>	<u>22,909</u>

Net incoming/outgoing resources

These are stated after charging:

	2009	2008
	£	£
Auditors' remuneration		
Audit	8,731	8,891
Other	1,035	-
Depreciation	<u>29,894</u>	<u>34,081</u>

4. Total resources expended

	Staff Costs	Depre- ciation	Other costs	Total 2009	Total 2008
	£	£	£	£	£
Costs of charitable activities:					
Residential Care	642,330	5,406	249,446	897,182	885,228
Supported Accommodation	728,442	19,234	226,545	974,221	963,134
Day Services	184,113	4,468	51,511	240,092	266,067
External Training	26,133	653	5,370	32,156	26,794
Awareness Raising & Publicity	4,352	54	7,100	11,506	17,588
Governance	10,047	78	28,816	38,941	22,909
	<u>1,595,417</u>	<u>29,893</u>	<u>568,788</u>	<u>2,194,098</u>	<u>2,181,720</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

5. Support costs

	Finance/ admin & general manage- ment	HR	IT	Internal training	Total 2009	Total 2008
	£	£	£	£	£	£
Cost of charitable activities						
Residential Care	117,752	15,153	217	17,992	151,114	147,445
Supported Accommodation	131,899	17,405	867	24,789	174,960	167,296
Day Services	43,380	4,990	542	5,398	54,310	52,763
External Training	2,429	531	54	-	3,014	1,875
Awareness Raising & Publicity	9,255	-	-	-	9,255	15,196
Governance costs	38,941	-	-	-	38,941	22,909
	343,656	38,079	1,680	48,179	431,594	407,484

6. Staff costs

	2009		2008	
	£	£	£	£
Wages and salaries				
Payroll	1,421,769		1,406,098	
Employers social security costs	129,419		127,947	
		1,551,188		1,534,045
Agency costs		36,872		47,712
Recruitment costs		7,357		11,894
		1,595,417		1,593,651

No employee earned in excess of £60,000 per annum.

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

	2009 Number	2008 Number
Direct charitable services	66	66
Management and administration	7	9
	73	75

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

7. Tangible fixed assets

	Furniture and equipment at centres	Office furniture and equipment	Total
	£	£	£
Cost			
Beginning of year (restated)	191,994	66,218	258,212
Additions	15,608	4,632	20,240
Disposals	2,399	1,130	3,529
End of year	205,203	69,720	274,923
Depreciation			
Beginning of year (restated)	138,051	60,163	198,214
Charge for year	22,735	7,159	29,894
Disposals	1,796	1,130	2,926
End of year	158,990	66,192	225,182
Net book amount end of year	46,213	3,528	49,741
Net book amount start of year	53,943	6,055	59,998

Included in tangible fixed assets are assets with a net book value of £3,528 (2008 - £6,055) used for management and administration. Balances at the beginning of the year were restated for the removal of fully depreciated assets.

8. Debtors

	2009	2008
	£	£
Rents, charges and housing benefit	12,183	13,178
Prepayments	29,491	45,222
Other debtors	4,942	1,200
	46,616	59,600

9. Creditors: amounts falling due within one year

	2009	2008
	£	£
Rents, charges and housing benefit	53,314	54,644
Other taxation and social security	36,250	36,092
Accruals	74,051	39,372
Other creditors	51,374	60,917
	214,989	191,025

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

10. Provisions for liabilities and charges

	2009	2008
	£	£
Opening balance	55,115	-
Increase in provision	80,000	55,115
Closing balance	<u>135,115</u>	<u>55,115</u>

The opening provision at 1st April 2008 relates to a provision for contractual liabilities and the increase in the year relates to a provision for legal costs.

11. Analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Total funds £
Fund balances at 31 March 2009			
Are represented by:			
Tangible fixed assets	49,394	347	49,741
Current assets	1,520,338	5,240	1,525,578
Current liabilities	(294,989)	-	(294,989)
Long term liabilities	(55,115)	-	(55,115)
	<u>1,219,628</u>	<u>5,587</u>	<u>1,225,215</u>

12. Statement on movement of funds

	Balance at start of year £	Incoming £	Outgoing £	Transfers £	Balance at end of year £
Unrestricted funds					
Designated fund	-	-	-	150,000	150,000
General funds	1,075,377	2,286,241	2,141,990	(150,000)	1,069,628
Total unrestricted fund	<u>1,075,377</u>	<u>2,286,241</u>	<u>2,141,990</u>	<u>-</u>	<u>1,219,628</u>
Restricted funds					
Day Services	-	50,333	50,333	-	-
SCVO	5,000	-	-	-	5,000
Global Grants	434	-	246	-	188
Greets Green Partnership	371	-	212	-	159
Other	146	761	667	-	240
Passage to India	650	-	650	-	-
	<u>6,601</u>	<u>51,094</u>	<u>52,108</u>	<u>-</u>	<u>5,587</u>
	<u>1,081,978</u>	<u>2,337,335</u>	<u>2,194,098</u>	<u>-</u>	<u>1,225,215</u>

During the year £150,000 was transferred to a designated fund for property development costs.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2009

12. Statement on movement of funds (continued)

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.

Passage to India - To develop and pilot a befriending service.

Other Funds - The other funds include fundraising and contributions towards specific activities.

13. Transactions with Trustees

The Trustees received total expenses of £363 (2008: £153) in the period as reimbursement of the costs of travelling to meetings.

The Trustees received no remuneration in the year (2008: £nil).

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

14. Operating leases

Rentals payable under operating leases are due as follows:

	2009		2008	
	Land and buildings £	Office Equipment £	Land and Buildings £	Office Equipment £
Within one year	5,102	2,396	13,000	2,157
Within two to five years	-	6,744	-	15,995
	<u>5,102</u>	<u>9,140</u>	<u>13,000</u>	<u>18,152</u>

Operating lease rentals of £13,000 were spent in the period in relation to land buildings and £3,401 in relation to office equipment.

