

Solent Mind

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

Report of the Trustees and
Financial Statements for the Year Ended 31st March 2022
for
Solent Mind

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for the Year Ended 31st March 2022**

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**Report of the Trustees
for the Year Ended 31st March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, its Memorandum and Articles of Association, being a company limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

4004500 (England and Wales)

Registered Charity number

1081116

Registered office

15-16 The Avenue
Southampton SO17 1XF

Trustees

John Wilderspin	Chair
Robin Goater	Treasurer
Gareth George	
Ruth Poyner	
Richard Pullen	
Haseeb Shakoor	
Denise Vine	Appointed 26 th May 2021
Simon Reeves	Appointed 26 th May 2021
Simon Wickes	Appointed 26 th May 2021
Lucy Robins	Appointed 26 th May 2021
Rachael Jessney	Resigned 13 th May 2021
Nichola Gordon-Jones	Resigned 14 th July 2021
Sarah Clements	Resigned 6 th January 2022
Emily Merrill	Resigned 4 th January 2022
Christine Pennington	Appointed 26 th May 2021 & resigned 13 th May 2022

Company Secretary

Kevin Gardner -resigned 31st March 2022
Sally Arscott – appointed 13th June 2022

Senior Statutory Auditor

P E H Wright FCA DChA

Independent auditors

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

**Report of the Trustees
for the Year Ended 31st March 2022**

Administration Information

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

The written constitution and governing document is the Memorandum and Articles of Association, which was last amended in 2020.

Solent Mind created a wholly owned subsidiary, Mayfield Nurseries, also a company limited by guarantee (6808517) and a registered charity (1128592), in February 2009. These Financial Statements cover both Mayfield and Solent Mind.

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

Recruitment and appointment of Trustees / Directors:

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

In 2021 a recruitment exercise was conducted with the support of external Board recruitment agency. This resulted in the appointment of 5 new Trustees to Solent Mind and 2 new Trustees (including Chair) to Mayfield Nurseries.

Administration Information

The day-to-day management of the organisation is delegated to the Chief Executive, who is also the designated Company Secretary. In 2021-22 the Chief Executive was Kevin Gardner, who resigned with effect from 31 March 2022. Sally Arscott was appointed as the new Chief Executive on 13th June to move the charity forward. In the interim period Rosalind Czarnowska was appointed as acting Chief Executive.

The Chief Executive is supported by the Senior Management Team and during 2021/22, Clare Grant joined the team as Assistant Director of Services, whilst the Director of Quality & Improvement (Malcolm Barrett); Business Development Director (Emma Fernandes) resigned during the course of the year.

The following provided services to the charitable company during 2021-22:-

Auditors:

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

Bankers:

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

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

Solicitors:

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

**Report of the Trustees
for the Year Ended 31st March 2022**

Structure, Governance and Management

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

The Trustees are also Directors of the Charity. The Trustees are ultimately responsible for all the operational activities and developments of the organisation. They have a particular responsibility for setting the strategic direction and agreeing and monitoring the impact of policies and practice. There are established systems for trustee appraisal and link trustees for each service area. Terms of Reference for the Board and each Sub Committee are reviewed annually. The responsibilities of managers and staff for day-to-day operations are set out in Solent Mind's Delegated Authority Procedures.

The Trustees normally allocate an away day twice a year for their own training and development. In 2021-22, due to the restrictions imposed by coronavirus, and the timing of recruitment of 5 new Trustees, one of these took place in September, and focused on a review of the Risk Management Strategy and Reserves Policy, together with a strategic review of business planning for Mayfield Nurseries. The Annual General Meeting in October was held remotely via Zoom and included a discussion with Company Members about the holding of future AGMs. This enabled Trustees to consider options for greater communication with and involvement of Members in Company activities. The AGM also received a presentation on new Crisis services at the Lighthouse in Southampton and Harbour in Portsmouth.

The holding of the AGM via Zoom, was further to changes made in the Company's Articles of Association in 2020 to enable further general meetings to be held remotely, should the need arise.

Solent Mind is committed to being a diverse and inclusive charity. We strongly believe that a diverse board can make better decisions, improve the quality of governance and increase public trust. Board members include both male and female, a range of ages, lived experience of mental health issues and diverse backgrounds including BAME. We strive to represent as a board the communities we exist to serve.

A trustee handbook is maintained, covering the role and responsibilities of trustees including key organisational documents such as risk management, safeguarding, health and safety and fundraising policies. It is provided to each new trustee following appointment. This handbook is updated annually. Trustees sign a Code of Conduct on joining the board. As part of the induction process, an induction checklist is carried out enabling trustees to attend key meetings with directors and programme leads, opportunity to attend Solent Mind Induction online course, provided with information to access Learnzone to attend mandatory training.

Solent Mind is affiliated to Mind, the national mental health charity, as a Local Mind Association, the terms of this relationship being set out in the Mind Federation Agreement, signed on 31 March 2021. Changes from the previous agreement, the Community Partnership Agreement (CPA) include an increased emphasis on local collaboration and clarification on working arrangements in overlapping areas among Local Minds. There is no financial or managerial connection beyond the payment of the membership fee. As with the CPA, the Federation Agreement with Mind enables us to determine our own policies and activities locally.

We share broadly the same charitable objects as other Local Mind Associations. Further to the provisions in the Federation Agreement, we held discussions with our neighbouring Local Minds, Andover Mind and Havant & East Hants Mind, in 2021-22, leading to a signed Memorandum of Understanding setting out our shared vision and values for promoting better mental health to the communities of Hampshire. This supplements our previous collaboration whereby Solent Mind, Andover Mind and Havant & East Hants Mind jointly created a Community Interest Company ("Hampshire Mind CIC") to deliver wellbeing services.

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

Report of the Trustees for the Year Ended 31st March 2022

Risk Assessment:

Solent Mind Risk and Opportunity Strategy was reviewed by the Board in December 2021. The Strategic Risk and Opportunity Register is monitored quarterly by the Finance, Information, Risk & Compliance Subcommittee, setting out how different risks are assessed in terms of probability and significance, what remedial action is in place, and what level of residual risk we have accepted.

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

Volunteers:

Our volunteers worked alongside 303 staff excluding casual workers (as at 31st March 2022). We estimate that volunteers, excluding students and trustees gave over 6,020 hours to Solent Mind over the past year. This is an increase from last year's figure of 2,340 hrs. During the pandemic most of our volunteering ceased but over the last year we have been able to tap into an increased appetite to volunteer by recruiting more volunteers into existing roles and creating several new volunteer roles. We find that volunteers, once with us, tend to become involved in other aspects of Solent Mind work. Some volunteers go on to become employees of Solent Mind. Their value to Solent Mind and the people we serve is immense. In 2021-22 a new post was created and recruited to, to lead on co-ordination of recruitment, induction, training and development of volunteers, to maximise the value to the organisation from this special resource.

Objectives and Activities

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

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

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

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

Significant activities

We are an established provider of mental health services, and during 2021-22 provided support across 6 main groups of services and activities:

	Main features
Advocacy	Community Advocacy, Independent Mental Capacity Advocacy (IMCA), Independent Mental Health Advocacy (IMHA), Care Act, Paid Representatives, Deprivation of Liberty Safeguards
Outreach and Education	Targeted work with young people and engagement with the wider communities we work within
Peer Support & Crisis	'Support with inspiration' provided by people with lived experience of mental health issues
Support and Recovery	Employment Support, Peer Support, Education Veterans' Support, Wellbeing

**Report of the Trustees
for the Year Ended 31st March 2022**

	Main features
Talking Therapies	Low intensity psychological therapies across most of Hampshire via sub-contract with Southern Health NHS Foundation Trust
Wellbeing	Provision of services with an emphasis on integration. Includes physical and mental wellbeing, practical skills, community development, and horticultural therapy

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

We also continue to work in places where people are at their most vulnerable, including acute and secure hospitals. We specifically focus on those who fare worst in the mental health system, including marginalised communities.

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

Partnerships are seen as essential to the achievement of our aims. Apart from the Community Interest Company established with partners mentioned above, we have partnership arrangements with Solent NHS Trust and with Portsmouth City Council. This partnership has developed a number of services that together provide Support and Recovery across Portsmouth City. This includes peer support and recovery services at St Mary’s Hospital, employment advice to those using the IAPT (Talking Therapies) service, and the Solent Recovery College. It also includes Positive Minds, operating from a modern city centre location, as an open access service offering an alternative to primary care for people experiencing emotional distress as a result of socially based crises, such as debt, housing issues and relationship breakdown. In 2021-22 we opened the Harbour Service in Portsmouth, offering remote and out of hour’s crisis services. We continue to work with Southern Health NHS Foundation Trust to deliver the italk (Talking Therapies) service.

Trustees monitor the performance of all services, initially through the People and Quality Subcommittee. This includes both qualitative and quantitative evidence as to the impact that each service is making in support of our Vision and Strategic priorities, and performance under our contracts for commissioned services. The material gathered includes numbers of people supported, waiting lists (if any) service user satisfaction, complaints and any safeguarding concerns. The Board has adopted a balanced scorecard approach, supplementing the service quality information with data relating to financial and HR performance. This gives the Board an overview of organisational performance in these key areas. In 2021-22, 13 complaints were received. All were resolved or processed through the Solent Mind’s complaints procedure by year end.

Membership of Solent Mind, which can entitle people to vote at our AGM and receive periodic information about the charity, stood at 170 at 31.03.22, including 33 new members in the 2021-22 year. All members were invited to attend our AGM in October 2021.

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

**Report of the Trustees
for the Year Ended 31st March 2022**

Achievements and Performance 2021/22

A year in numbers:

- Volunteers, excluding trustees gave over 6,020 hours to Solent Mind over the past year
- 351,406 people visited our website, (10% increase YoY). New users account for 82.2% users (down 0.8% YoY)
- Our Upturn Children and Young People's project supported 253 young people in schools and colleges
- 1,028 people were supported through our Portsmouth Employment Services
- Our Wellbeing Centres helped over 3,519 people across Hampshire
- Over 15,281 people were supported through italk talking therapies
- Our Portsmouth Advocacy Service took over 1548 referrals
- The Lighthouse Crisis project supported over 3754 individuals
- Community Peer Support Projects supported 1,428 people

The Board has adopted four separate areas of activity, or 'pillars' - each with their own distinct area of focus and which, together, combine to support and achieve our high level ambitions for the organisation. The Board has also adopted a detailed Delivery Plan, utilising the NCVO Monitoring and Evaluation Framework, with specific commitments and measures of success. The Board carried out a review of progress with the actions in the Delivery Plan at its meeting in September 2021. The following summarises the position on each of the four pillars, and achievements in 2021-22:

Pillar 1: High Quality Services

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

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

In 2021-22, the continuation of the pandemic meant that we maintained the adaptations to face to face service previously introduced to meet Government restrictions. This involved service provision in telephone, text and online formats to ensure that service users continued to receive the support that they needed. The Solent Mind App, free to download, continued to give access to a curated range of wellbeing resources accessible 24/7 via a smartphone. The App has been well-received and earned many positive reviews. In 2021-22 we further developed a new version of the App to provide specialist advice and resources for children and young people – a group in society whose mental health has been particularly adversely affected by the pandemic. We also maintained our extended hours Telephone Support Line, the Togetherall online service, and continued developing self-help advice and toolkits available on our website for free download. These various changes to service delivery meant that we were able to offer safe support to NHS partners with a number of initiatives, including support to Afghan refugees resettling in the area, and help for those with serious mental illness to access Covid vaccination.

While the service preference of many will remain face to face, in one to one or group settings, comments received have demonstrated benefits for many in the flexibility and accessibility of services through remote delivery. Due to some gradual relaxation of the coronavirus restrictions in the latter stages of the 2021-22 year, we were able to reintroduce face to face services in a phased way, subject to risk assessment,

In 2021-22 we implemented changes at senior levels to our organisational structure. These have created additional capacity for the development of new services (including digital services) and support for those principally affected by the pandemic, namely children, young people and families, those facing employment or economic challenges, and marginalised groups experiencing health inequalities.

**Report of the Trustees
for the Year Ended 31st March 2022**

Pillar 2: Community Partnerships

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

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

In 2021-22, the Board reviewed our Partnership, Merger & Acquisition Strategy, with an emphasis on promotion of collaborative working. We also built on the Mind Federation Agreement to bring about improved relationships and collaborative working with our neighbouring partners, Andover Mind and Havant & East Hants Mind. This culminated in the signing of a Memorandum of Understanding embodying shared vision and values for jointly promoting better mental health in Hampshire.

We further developed our partnerships with NHS bodies to support more people experiencing mental health issues, in more ways. Building on the success of the Lighthouse crisis drop-in centre in Southampton, developed with Southern Health NHS Foundation Trust, we began exploring the creation of a second drop-in centre in the eastern parts of Southampton. Through our partnership with Solent NHS Trust, Portsmouth CCG, and Havant & East Hants Mind, we opened a new service, the Harbour, based in Portsmouth offering remote, out of hours mental health crisis support for people in the areas of Portsmouth, Fareham, Gosport, Havant and East Hampshire. These services help reduce the numbers of people reaching crisis levels, facing hospital admissions and at risk of suicide.

We continued our involvement in the Italk (talking therapies) service, another of our partnerships with Southern Health, which benefited from significant additional funding in 2021-22. This has helped to reduce waiting lists while investing further in outreach and maintaining recovery rates that meet national targets. We are therefore able to reach many more people experiencing issues with their mental health. Preparations were undertaken for possible retendering of our Portsmouth Support & Recovery, and Advocacy Contracts in 2022-23, though these have now been extended to 2023.

Pillar 3: Leading Change

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

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

We have continued to attend and participate at the No Wrong Door Board at a strategic level with commissioners and partners from health and social care across Hampshire & Isle of Wight. Through this route, we influenced the strategic plan and funding submission to NHSE, for the community mental health transformation programme, ensuring inclusion of Pillar 3 principles/objectives regarding local VCSE involvement in planning and service delivery, co-production with service users and tackling health inequalities. The funding submission was agreed and we are now continuing to influence plan delivery through new investment in services.

We appointed to a new Service User Co-ordinator post created by the Board, to further develop the involvement of our service users and beneficiaries in the planning and delivery of services. In 2021-22 we have reviewed and developed our Service User Forum arrangements and involved more service users in senior level and Trustee recruitment and selection panels.

**Report of the Trustees
for the Year Ended 31st March 2022**

In July 2021 the Board agreed that we should participate with Mind and neighbouring Local Minds in the Advancing Mental Health Equalities Collaborative, a 3-year national programme led by the Royal College of Psychiatry and Centre for Mental Health Collaboration. The programme started in August 2021 and will enable us to focus on tackling inequality initially in a particular ‘community of interest’, which we have nominated as young black men. Through our involvement in the No Wrong Door Board (see above), the learning from this work will feed directly into local mental health system transformation led by the Hampshire & Isle of Wight ICS. Our participation has already helped raise the profile of mental health inequalities and influenced the investment of £220k by the CCGs in 2021-22, in local VCSE led projects addressing this issue.

Pillar 4: Trust Through Excellence

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

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

In 2021-22, we were pleased to maintain once again our Investors in People Gold Award following the annual review in December 2021. This is recognition of the strength of our approach to managing and developing our people, and to workforce wellbeing. The Board undertook its annual benchmarking review of arrangements for pay and reward, so that the organisation can remain competitive in recruitment and retention. We completed phase 1 of the implementation of our I-Trent HR system, offering greater resilience, efficiency and risk mitigation in payroll, and automating transactional processes through employee self-service, sickness absence reporting, managing leave requests, training and development recording and authorisation, and performance appraisal. The recruitment module enables managers to have speedier access to job applications and has reduced time spent by staff on manual handling of paperwork and we have been able to introduce ‘blind’ recruitment to improve our diversity within the organisation. Data accuracy has improved, and demands have reduced on central HR time.

Following the successful completion of our 2018-21 Digital Strategy, the Board commenced a review of the next phase of organisational needs for digital development, to be incorporated in a new three year Digital Strategy. The Board also commissioned specialist external consultants to undertake a strategic review of our arrangements for the discharge of functions relating to fundraising, income generation and traded services. The review has identified areas for improvement in leadership, management, culture and processes to be considered and taken forward in 2022-23 with the recruitment of a new Development Director.

The financial challenges presented by the pandemic were actively, carefully and prudently managed, resulting in a year end outcome where budget and income generation targets have been achieved. In the light of social distancing restrictions and changes to working practices, the Board undertook an initial review of our existing estate, to ensure that resources are invested in an appropriate and cost-effective way to support the delivery of our charitable purposes. The Board agreed that it was still premature to make permanent decisions on the requirements for our buildings, though this will be taken forward as the pandemic subsides. We continued to meet all regulatory requirements of the Charity Commission and Companies House.

The Board has undertaken the process of recruitment of a new Chief Executive, following the decision of Kevin Gardner to move on from this role with effect from 31 March 2022. This process has been successful, and we will welcome Sally Arscott to this role from mid-2022.

Report of the Trustees for the Year Ended 31st March 2022

Concluding Remarks and Future Challenges

Although another very challenging year for the charity sector, 2021-22 has been a solid and successful year of performance by Solent Mind. Achievements include adapting and maintaining services to our clients during a difficult period for the nation's mental health, receiving plaudits from partners and commissioners for our speed and effectiveness in doing so, maintaining a Gold award for Investors in People and meeting our income generation and budget targets. These outcomes could not have been achieved without the dedication and commitment of our staff, volunteers, partners, commissioners, supporters and fund raisers, to all of whom the Board of Trustees extends its thanks.

As we look to 2022-23 and beyond, there are still a number of unknown factors that could potentially impact on our business and our services, including the recurrence of coronavirus and re-imposition of government restrictions, the economic situation, with the longer term impact of the Ukraine crisis and other factors on cost of living and inflation, and the potential implications of all of this for fund raising and investment in mental health services. The pandemic has unsurprisingly delivered an increased level of demand for mental health support. Legislative reform is bringing structural change within the local NHS, with the introduction of a new Integrated Care System in 2022-23 and possible changes in approach to commissioning services. It is noted that within the Black, Asian and LGBTQ communities and other marginalised groups within our society access to mental health services needs to be improved upon. We will need to continue to adapt our organisational structure and processes to reflect the size of organisation that we have now grown to be over the last few years. We will continue to work with partners to bring about positive change in this respect, so that everyone experiencing a mental health issue can receive support and respect.

Financial review

Basis of accounting

The annual financial statements of the Solent Mind group are attached to this report. The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

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

Review of the year

Net Incoming Resources before transfers for the year

Total Net Incoming Resources (includes investments from reserves) for the year the group amounted to £236,241 (20/21 £401,170).

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

Peer Support Services	(£24,602)
Children and Young Persons Service	(£19,081)
Digital Skills Service	(£25,777)
Digital Lead Position	(£27,645)

The operating surplus for the year amounted to £333,345 this represents 4.01% of Total Incoming Resources for the year (20/21 6.35%).

Total Net Incoming Resources £236,241

Solent Mind has seen growth in both Employment & IAPT and Peer Support services portfolios this combined with increases in fundraising and trading income has driven the increase in Net Incoming Resources for the year.

Included in the Total Net Incoming Resources for 2021/22 is a surplus of £8,038 made by Mayfield Nurseries.

**Report of the Trustees
for the Year Ended 31st March 2022**

Incoming Resources for the Year

Gross income for the group for the year totalled £8,519,127 an increase of £1,853,270 or 27.80% on last year 20/21. The principal funding sources are derived from contract and grant income which accounts for 91.15% or £7,765,378 of Solent Mind group's total income. The vast majority of funding is through service contracts with NHS and local authorities which are typically between one and three years. This provides Solent Mind with financial stability over the medium term and allows for greater planning certainty and decision making.

Mayfield Nurseries gross income for the year totalled £495,681 an increase of £81,483 or 19.67% on last year (20/21) this was mainly due to an increase in plant and café sales.

During 21/22, Solent Mind made an actuarial gain £22,671 on its defined benefit schemes compared to loss of (£2,797) in (20/21).

Resources Expended

Resources expended for the year totalled £8,305,557 an increase of £2,043,667 or 32.64% on last year 20/21.

Charitable Activities expenditure accounted for 94% or £7,806,638 of the Solent Mind's total resources expended. Capital Expenditure

Solent Mind's group capital expenditure for the year amounted to £164,003 compared to 20/21 £182,976.

Funds

Total funds as at 31st March 2022 stand at £3,345,497 of which £2,507,106 relates to unrestricted funds, £199,283 relates to restricted funds and £639,108 relates to permanent endowment funds.

Reserves Policy

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

The charity provides for this by putting aside, when it can afford it, some of its current income as reserves against future uncertainties. It is prudent to set aside reserves to cover future potential liabilities, but also to have funds available to take advantage of any opportunities that may come the way of the charity.

Solent Mind's Trustee Board has considered the adequacy of its reserves held on 31st March 2022, in line with its policy to do so on an annual basis following detailed scrutiny and recommendations by its Finance, Information, Risk and Compliance Subcommittee, which itself is guided by the Charity Commission guidance on charity reserves.

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

Solent Mind's reserves include unrestricted, restricted and permanent endowment funds. Unrestricted funds held by Solent Mind total £2,507,106 of which £1,399,170 relates to fixed assets held in general and revaluation reserves and £813,509 has been designated for particular purposes. A further £344,972 is held in the general infrastructure reserve. The general infrastructure reserve is to be used to cover unforeseen losses in central income used to support Solent Mind's infrastructure.

Restricted funds total £199,283 of which £49,042, set aside in a Property Maintenance Reserve, relates to a cash donation from MJB Charitable Trust to be used specifically for major repairs and improvements on the properties transferred. £26,748 is held in the Marcella House Legacy Reserve to be used specifically for the Marcella House Project, £33,861 relates to funds from the merger with Fareham and Gosport Mind and is to be used in the Fareham and Gosport area only. £89,632 is held for restricted funded projects.

Permanent Endowment funds total £639,108 - this relates to the MJB Charitable Trust donation in 2006/07 and includes three properties that were transferred. Note 22 in the financial statements gives further explanation of the reserves held by Solent Mind and the movements within the year on each reserve.

**Report of the Trustees
for the Year Ended 31st March 2022**

COVID-19

Solent Mind acknowledges the difficult environment which it is currently operating in due to the Covid-19 pandemic, however unlike many charities in the sector the impact on Solent Mind's financial performance for the year ending 31st March 2022 has been minimal. Solent Mind adapted the way it worked across the organisation in order to continue and expand its services to service users from face to face meetings to offering telephone consultations; courses being run over zoom/MS Teams; webchat options being provided in order to comply with Covid 19 restrictions whilst still providing essential support.

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

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

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

Investment Policy

The Finance, Information, Risk and Compliance Subcommittee does not consider it prudent at this stage to invest income for the longer term. Its policy for investment is therefore to retain funds as cash and place them on bank deposit at the best rate obtainable. The Treasury Management policy sets out the board's approach.

Information provided to Auditors

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

**Report of the Trustees
for the Year Ended 31st March 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Solent Mind for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

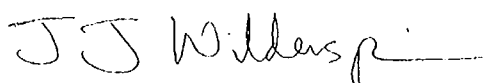
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

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

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

Approved by order of the board of trustees on 5th October 2022 and signed on its behalf by:



.....
John Wilderspin -Chairman

Report of the Independent Auditors to the Members of Solent Mind

Opinion

We have audited the financial statements of Solent Mind (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31st March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and charitable company in accordance with the ethical requirements that are relevant to our audit of the group financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of Solent Mind

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page eleven, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- reviewing minutes of meetings of those charged with governance
- Receiving financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

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

Use of our report

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



P E H Wright FCA DChA (Senior Statutory Auditor)

For and on behalf of Sheen Stickland

Chartered Accountants

Statutory Auditors

7 East Pallant

Chichester

West Sussex

PO19 1TR

Date: 5th October 2011

**Consolidated Statement of Financial Activities
for the Year Ended 31st March 2022**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	248,764	124,742	-	373,506	275,231
Charitable activities	5					
Employment & IAPT		4,624,266	-	-	4,624,266	2,540,190
Wellbeing		1,311,910	50,298	-	1,362,208	1,255,179
Other charitable activities		42,852	-	-	42,852	260,159
Portsmouth		654,708	-	-	654,708	1,233,205
Children and Young Persons		22,849	102,889	-	125,738	-
Peer Support		690,899	1,050	-	691,949	435,453
Therapy & Training		169,046	94,611	-	263,657	260,617
Advocacy		-	-	-	-	185,516
Other trading activities	3	379,505	-	-	379,505	216,458
Investment income	4	<u>738</u>	<u>-</u>	<u>-</u>	<u>738</u>	<u>3,849</u>
Total		8,145,537	373,590	-	8,519,127	6,665,857
EXPENDITURE ON						
Raising funds						
Raising donations and legacies	6	104,733	-	-	104,733	130,416
Trading activities	7	<u>252,781</u>	<u>-</u>	<u>-</u>	<u>252,781</u>	<u>311,472</u>
		357,514	-	-	357,514	441,888
Charitable activities	8					
Employment & IAPT		4,615,490	10	-	4,615,500	2,552,745
Wellbeing		1,266,527	74,437	3,482	1,344,446	1,206,862
Other charitable activities		148,883	11,643	-	160,526	194,949
Portsmouth		677,648	100	-	677,748	1,193,833
Children and Young Persons		37,641	130,086	-	167,727	-
Peer Support		633,927	2,363	-	636,290	386,856
Therapy & Training		273,614	72,192	-	345,806	110,750
Advocacy		-	-	-	-	174,007
Total		8,011,244	290,831	3,482	8,305,557	6,261,890
NET INCOME		134,293	82,759	(3,482)	213,570	403,967
Actuarial gains/(losses) on defined benefit schemes		<u>22,671</u>	<u>-</u>	<u>-</u>	<u>22,671</u>	<u>(2,797)</u>
NET MOVEMENT IN FUNDS		156,964	82,759	(3,482)	236,241	401,170

The notes form part of these financial statements

**Statement of Financial Activities - continued
for the Year Ended 31st March 2022**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
RECONCILIATION OF FUNDS						
Total funds brought forward		2,350,142	116,524	642,590	3,109,256	2,708,086
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>2,507,106</u>	<u>199,283</u>	<u>639,108</u>	<u>3,345,497</u>	<u>3,109,256</u>

CONTINUING OPERATIONS

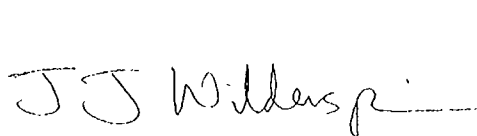
All income and expenditure has arisen from continuing activities.

Consolidated Balance Sheet
31st March 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS						
Tangible assets	13	1,399,170	-	639,108	2,038,278	2,018,481
CURRENT ASSETS						
Stock	14	76,999	-	-	76,999	49,646
Debtors	15	1,774,559	-	-	1,774,559	849,976
Cash at bank		<u>1,527,054</u>	<u>199,282</u>	<u>-</u>	<u>1,726,336</u>	<u>1,508,189</u>
		3,378,612	199,282	-	3,577,894	2,407,811
CREDITORS						
Creditors	16	<u>(2,259,011)</u>	<u>-</u>	<u>-</u>	<u>(2,259,011)</u>	<u>(1,271,068)</u>
NET CURRENT ASSETS		<u>1,119,601</u>	<u>199,282</u>	<u>-</u>	<u>1,318,883</u>	<u>1,136,743</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,518,771	199,282	639,108	3,357,161	3,155,223
CREDITORS						
Amounts falling due after more than one year	17	<u>(11,664)</u>	<u>-</u>	<u>-</u>	<u>(11,664)</u>	<u>(45,967)</u>
NET ASSETS		<u><u>2,507,107</u></u>	<u><u>199,282</u></u>	<u><u>639,108</u></u>	<u><u>3,345,497</u></u>	<u><u>3,109,256</u></u>
FUNDS	21					
Unrestricted funds					2,507,106	2,350,142
Restricted funds					199,283	116,524
Endowment funds					<u>639,108</u>	<u>642,590</u>
TOTAL FUNDS					<u><u>3,345,497</u></u>	<u><u>3,109,256</u></u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 5th October 2022 and were signed on its behalf by:



John Wilderspin – Chairman



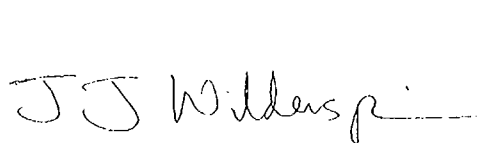
Robin Goater - Treasurer

Individual Charity Balance Sheet
31st March 2022

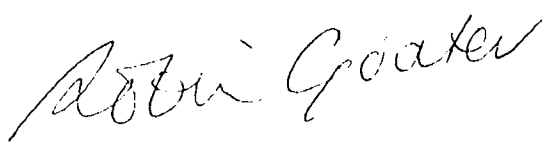
	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS						
Tangible assets	13	1,348,802	-	639,108	1,987,910	2,004,276
CURRENT ASSETS						
Debtors	15	1,722,822	-	-	1,722,822	845,927
Cash at bank		<u>1,435,548</u>	<u>176,863</u>	<u>-</u>	<u>1,612,411</u>	<u>1,266,433</u>
		3,158,370	176,863	-	3,335,233	2,112,360
CREDITORS						
Creditors	16	<u>(2,127,504)</u>	<u>-</u>	<u>-</u>	<u>(2,127,504)</u>	<u>(1,114,898)</u>
NET CURRENT ASSETS		<u>1,030,866</u>	<u>176,863</u>	<u>-</u>	<u>1,207,729</u>	<u>997,462</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,379,668	176,863	639,108	3,195,639	3,001,738
CREDITORS						
Amounts falling due after more than one year	17	<u>(11,664)</u>	<u>-</u>	<u>-</u>	<u>(11,664)</u>	<u>(45,967)</u>
NET ASSETS		<u><u>2,368,004</u></u>	<u><u>176,863</u></u>	<u><u>639,108</u></u>	<u><u>3,183,975</u></u>	<u><u>2,955,771</u></u>
FUNDS	21					
Unrestricted funds					2,368,004	2,196,658
Restricted funds					176,863	116,523
Endowment funds					<u>639,108</u>	<u>642,590</u>
TOTAL FUNDS					<u><u>3,183,975</u></u>	<u><u>2,955,771</u></u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 5th October 2022 and were signed on its behalf by:



.....
 John Wilderspin – Chairman



.....
 Robin Goater - Treasurer

Solent Mind**Consolidated Cash Flow Statement
for the Year Ended 31st March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>343,611</u>	<u>588,223</u>
Net cash provided by operating activities		<u>343,611</u>	<u>588,223</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(164,003)	(182,976)
Sale of tangible fixed assets		18,612	4,480
Gain on defined benefit pension scheme		22,671	(2,797)
Interest received		<u>738</u>	<u>3,849</u>
Net cash used in investing activities		<u>(121,982)</u>	<u>(177,444)</u>
Cash flows from financing activities			
Loan repayments in year		-	251,289
Expenditure attributable to endowment		<u>(3,482)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(3,482)</u>	<u>251,289</u>
Change in cash and cash equivalents in the reporting period		<u>(218,147)</u>	<u>662,068</u>
Cash and cash equivalents at the beginning of the reporting period		<u>1,508,189</u>	<u>846,121</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,726,336</u></u>	<u><u>1,508,189</u></u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 31st March 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	213,570	403,967
Adjustments for:		
Depreciation charges	127,524	126,241
Movement in Pension Deficit	22,671	(2,797)
Interest received	(738)	(3,849)
(Gain)/loss on disposals	1,551	-
Increase in debtors	(929,389)	6,947
Increase in stocks	(27,353)	(20,451)
Increase in creditors	<u>935,775</u>	<u>78,165</u>
Net cash provided by operations	<u><u>343,611</u></u>	<u><u>588,223</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	<u>1,508,189</u>	<u>218,147</u>	<u>1,726,336</u>
	<u>1,508,189</u>	<u>218,147</u>	<u>1,726,336</u>
Total	<u><u>1,508,189</u></u>	<u><u>218,147</u></u>	<u><u>1,726,336</u></u>

**Notes to the Financial Statements
for the Year Ended 31st March 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

Basis of consolidation

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

Income

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

The specific bases are used as follows:

- Voluntary income includes donations on a receivable basis.
- Fundraising income is shown gross.
- Lease income is accounted for on a receivable basis over the life of the lease.
- Investment income is accounted for on a receivable basis.
- Income from government and other grants are recognised at a fair value when the charity has entitlement after any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Volunteer services

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Freehold property	- no depn is charged
Long leasehold	- in accordance with the lease
IT equipment	- 25% on cost
Motor vehicles	- 25% on reducing balance
Capitalised Software	- 10 to 20% on cost
Fixtures and fittings	- 20% on cost
Office equipment	- 20% on cost
Building adaptations	- 10% on cost

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

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

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

Stock

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

Related party exemption

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

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	127,759	143,085
Fundraising events	<u>245,747</u>	<u>132,146</u>
	<u>373,506</u>	<u>275,231</u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Lease/room hire income	19,936	18,434
Consultancy and training	139,610	51,491
Plant and café sales	219,006	145,345
Members income	<u>953</u>	<u>1,188</u>
	<u>379,505</u>	<u>216,458</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>738</u>	<u>3,849</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Contracts	Employment & IAPT	4,624,266	2,540,190
Contracts & Grants	Wellbeing	1,362,208	1,255,179
Grants	Other charitable activities	42,852	260,159
Contracts & Grants	Portsmouth	654,708	1,233,205
Contracts & Grants	Children and Young Persons	125,738	-
Contracts & Grants	Peer Support	691,949	435,453
Grants	Therapy & Training	263,657	260,617
Contracts	Advocacy	<u>-</u>	<u>185,516</u>
		<u>7,765,378</u>	<u>6,170,319</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

5. INCOME FROM CHARITABLE ACTIVITIES - continued

		Year ended 31.3.22 £	Year ended 31.3.21 £
Southampton City Council SS	Contract	171,915	132,178
Hampshire County Council SS	Contract	574,979	541,624
Southern Health NHS FT	Contract	4,356,064	3,001,171
Portsmouth City Council	Contract	180,159	179,999
West Hampshire CCG	Contract	170,288	138,265
DWP - Access to Work	Contract	16,364	1,752
Eastleigh Health Primary Care Network	Contract	36,094	17,690
Individual Service Contracts	Contract	16,381	5,517
NHS Portsmouth CCG	Contract	94,234	22,500
University of Southampton	Contract	7,570	7,074
Solent NHS Trust	Contract	1,210,438	1,230,162
Southampton City CCG	Contract	14,928	7,500
Hampshire Mind CIC	Contract	539,529	483,225
Southampton Voluntary Services	Contract	60,000	60,000
Costal Primary Care Network	Contract	11,667	-
Other Contracts	Contract	14,496	2,864
MIND	Grant	3,098	24,955
Southampton City Council SS	Grant	-	21,261
MJB	Grant	81,618	83,564
Zurich	Grant	15,659	24,631
Rathbone Trust	Grant	6,332	15,650
Comic relief	Grant	-	2,869
Community Fund	Grant	122,286	163,785
Dibden Allotment Fund	Grant	14,855	-
Other Grants	Grant	46,424	2,083
		<u>7,765,378</u>	<u>6,170,319</u>

6. RAISING DONATIONS AND LEGACIES

	2022 £	2021 £
Staff costs	52,071	88,922
Governance costs	1,375	817
Support costs	27,433	22,198
Other direct costs	<u>23,854</u>	<u>18,479</u>
	<u>104,733</u>	<u>130,416</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

7. TRADING ACTIVITIES

	2022	2021
	£	£
Staff costs	125,185	155,978
Other operating leases	18,096	18,382
Other direct costs	85,776	121,440
Support costs	22,734	14,984
Governance costs	990	688
	<u>252,781</u>	<u>311,472</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Employment & IAPT	3,808,253	807,247	4,615,500
Wellbeing	1,110,090	234,356	1,344,446
Other charitable activities	159,187	1,339	160,526
Portsmouth	567,130	110,618	677,748
Children and Young Persons	146,482	21,245	167,727
Peer Support	519,380	116,910	636,290
Therapy & Training	312,211	33,595	345,806
	<u>6,622,733</u>	<u>1,325,310</u>	<u>7,948,043</u>

9. SUPPORT COSTS

	Management £	Finance £	Information technology £
Employment & IAPT	155,334	135,131	192,600
Wellbeing	45,096	39,231	55,915
Other charitable activities	258	224	319
Portsmouth	21,286	18,517	26,392
Children and Young Persons	4,088	3,556	5,069
Peer Support	22,496	19,570	27,893
Therapy & Training	5,408	12,725	3,181
	<u>253,966</u>	<u>228,954</u>	<u>311,369</u>

	Human resources £	Governance costs £	Totals £
Employment & IAPT	296,579	27,603	807,247
Wellbeing	86,100	8,014	234,356
Other charitable activities	492	46	1,339
Portsmouth	40,640	3,783	110,618
Children and Young Persons	7,806	726	21,245
Peer Support	42,953	3,998	116,910
Therapy & Training	4,772	7,509	33,595
	<u>479,342</u>	<u>51,679</u>	<u>1,325,310</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

10. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Auditors' remuneration	12,469	12,579
Depreciation - owned assets	127,524	126,241
Other operating leases	<u>81,854</u>	<u>107,706</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

Solent Mind – Travel expenses totalling £251 (2021: £360) were reimbursed to three trustees during the year. Trustee indemnity insurance cover of £1 million is provided for at a cost of £40 per annum.

Mayfield Nurseries – No expenses were paid to the trustees during the year. Trustee indemnity insurance cover of £1 million is provided for at a cost of £40 per annum.

12. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	5,654,645	4,159,491
Social security costs	459,423	321,019
Other pension costs	<u>145,783</u>	<u>129,445</u>
	<u>6,259,851</u>	<u>4,609,955</u>

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

	2022	2021
Charitable activities	199	162
Governance and support	<u>8</u>	<u>10</u>
	<u>207</u>	<u>172</u>

No employees benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£80,001 - £90,000	<u>1</u>	<u>1</u>

Employer contributions for the year for the provision of a defined contribution scheme for the employee with emoluments above £60,000 was £2,178 (2021: £2,093).

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

13. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1st April 2021	1,235,000	360,000	1,273,815	9,970	2,878,785
Additions	-	-	164,003	-	164,003
Disposals	-	-	(50,642)	-	(50,642)
At 31st March 2022	<u>1,235,000</u>	<u>360,000</u>	<u>1,387,176</u>	<u>9,970</u>	<u>2,992,146</u>
DEPRECIATION					
At 1st April 2021	-	17,410	836,341	6,553	860,304
Charge for year	-	3,482	123,188	854	127,524
Eliminated on disposal	-	-	(33,960)	-	(33,960)
At 31st March 2022	<u>-</u>	<u>20,892</u>	<u>925,569</u>	<u>7,407</u>	<u>953,868</u>
NET BOOK VALUE					
At 31st March 2022	<u>1,235,000</u>	<u>339,108</u>	<u>461,607</u>	<u>2,563</u>	<u>2,038,278</u>
At 31st March 2021	<u>1,235,000</u>	<u>342,590</u>	<u>437,474</u>	<u>3,417</u>	<u>2,018,481</u>

CHARITY

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1st April 2021	1,235,000	360,000	1,212,010	-	2,807,010
Additions	-	-	140,005	-	140,005
Disposals	-	-	(48,953)	-	(48,953)
At 31st March 2022	<u>1,235,000</u>	<u>360,000</u>	<u>1,303,062</u>	<u>-</u>	<u>2,898,062</u>
DEPRECIATION					
At 1st April 2021	-	17,410	785,324	6,553	802,734
Charge for year	-	3,482	117,872	854	121,354
Eliminated on disposal	-	-	(13,936)	-	(13,936)
At 31st March 2022	<u>-</u>	<u>20,892</u>	<u>889,260</u>	<u>7,407</u>	<u>910,152</u>
NET BOOK VALUE					
At 31st March 2022	<u>1,235,000</u>	<u>339,108</u>	<u>413,802</u>	<u>2,563</u>	<u>1,987,910</u>
At 31st March 2021	<u>1,235,000</u>	<u>342,590</u>	<u>426,686</u>	<u>3,417</u>	<u>2,004,276</u>

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

	GROUP £	CHARITY £
Historical cost	921,500	921,500
Depreciation	<u>(230,871)</u>	<u>(230,871)</u>
Freehold Property historical cost NBV	<u>690,629</u>	<u>690,629</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

13. TANGIBLE FIXED ASSETS - continued

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

	GROUP £	CHARITY £
Historical cost	290,000	290,000
Depreciation	<u>(39,440)</u>	<u>(39,440)</u>
Leasehold Property historical cost NBV	<u>250,560</u>	<u>250,560</u>

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

14. STOCK

	GROUP		CHARITY
	2022	2021	2022
	£	£	£
Closing Stock	<u>76,999</u>	<u>49,646</u>	<u>-</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY
	2022	2021	2022
	£	£	£
Contracts and grant fees	1,584,889	631,716	1,534,889
Amounts owed by group undertakings	-	-	7,252
VAT	88	898	-
Other debtors	31,311	87,488	24,330
Prepayments	92,183	82,383	90,619
Accrued income	<u>66,088</u>	<u>47,491</u>	<u>65,733</u>
	<u>1,774,559</u>	<u>849,976</u>	<u>1,722,822</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY
	2022	2021	2022
	£	£	£
Trade creditors	112,412	107,056	95,439
Amounts owed to group undertakings	-	-	1,577
Social security and other taxes	110,130	93,215	105,437
Other creditors	4,535	6,204	4,535
Pension fund	39,846	34,256	38,176
Accruals	142,670	163,058	131,200
Deferred income (see note 18)	<u>1,849,418</u>	<u>865,136</u>	<u>1,751,139</u>
	<u>2,259,011</u>	<u>1,268,925</u>	<u>2,127,504</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP		CHARITY
	2022	2021	2022
	£	£	£
Pension scheme liability	<u>11,664</u>	<u>45,967</u>	<u>11,664</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

18. DEFERRED INCOME

GROUP	Balance at 1.4.21 £	Deferred £	Released £	Balance at 31.3.22 £
Contract and Grants	<u>865,137</u>	<u>2,108,127</u>	<u>(1,123,846)</u>	<u>1,849,418</u>
Total Deferred Income	<u>865,137</u>	<u>2,108,127</u>	<u>(1,123,846)</u>	<u>1,849,418</u>
	Balance	Net	Transfers	Balance
Analysis of deferred income				
Under one year	<u>865,137</u>	<u>2,108,127</u>	<u>(1,123,846)</u>	<u>1,849,418</u>
Total Deferred Income	<u>865,137</u>	<u>2,108,127</u>	<u>(1,123,846)</u>	<u>1,849,418</u>
CHARITY				
	Balance at 1.4.21 £	Deferred £	Released £	Balance at 31.3.22 £
Contract and Grants	<u>742,469</u>	<u>1,968,796</u>	<u>(960,126)</u>	<u>1,751,139</u>
Total Deferred Income	<u>742,469</u>	<u>1,968,796</u>	<u>(960,126)</u>	<u>1,751,139</u>
	Balance			Balance
Analysis of deferred income				
Under one year	<u>742,469</u>	<u>1,968,796</u>	<u>(960,126)</u>	<u>1,751,139</u>
Total Deferred Income	<u>742,469</u>	<u>1,968,796</u>	<u>(960,126)</u>	<u>1,751,139</u>

19. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid:

	2022 £	2021 £
Land and buildings		
Expiring:		
Within one year	37,919	25,852
Between one and five years	<u>43,935</u>	<u>81,854</u>
	<u>81,854</u>	<u>107,706</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 £ Total Funds £	2021 £ Total Funds £
Fixed assets	1,399,170	-	639,108	2,038,278	2,018,481
Current assets	3,378,612	199,282	-	3,577,894	2,407,811
Current liabilities	(2,259,011)	-	-	(2,259,011)	(1,271,068)
Pension liability	(11,664)	-	-	(11,664)	(45,967)
	<u>2,507,107</u>	<u>199,282</u>	<u>639,108</u>	<u>3,345,497</u>	<u>3,109,256</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

21. MOVEMENT IN FUNDS - GROUP

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,054,936	156,964	(184,229)	1,027,671
Designated reserves	529,280	-	284,229	813,509
General infrastructure reserve	444,972	-	(100,000)	344,972
Revaluation reserve	320,954	-	-	320,954
	2,350,142	156,964	-	2,507,106
Restricted funds				
Property maintenance reserve	49,042	-	-	49,042
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	33,861	-	-	33,861
Children and Young Persons	-	26,992	-	26,992
Peer Support	-	791	-	791
Wellbeing	6,872	32,557	-	39,429
Mayfield Nurseries reserve	-	22,419	-	22,419
	116,524	82,759	-	199,283
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	342,590	(3,482)	-	339,108
	642,590	(3,482)	-	639,108
TOTAL FUNDS	<u>3,109,256</u>	<u>236,241</u>	<u>-</u>	<u>3,345,497</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	8,145,537	(8,011,244)	22,671	156,964
Restricted funds				
Children and Young Persons	157,078	(130,086)	-	26,992
Peer Support	3,154	(2,363)	-	791
Wellbeing	106,994	(74,437)	-	32,557
Portsmouth	10	(10)	-	-
Employment & IAPT	100	(100)	-	-
Other charitable activities	11,643	(11,643)	-	-
Mayfield Nurseries reserve	94,611	(72,192)	-	22,419
	373,590	(290,831)	-	82,759
Endowment funds				
Leasehold property reserve	-	(3,482)	-	(3,482)
TOTAL FUNDS	<u>8,519,127</u>	<u>(8,305,557)</u>	<u>22,671</u>	<u>236,241</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

21. MOVEMENT IN FUNDS - GROUP - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	836,586	277,322	(58,972)	1,054,936
Designated reserves	402,587	126,693	-	529,280
General infrastructure reserve	386,000	-	58,972	444,972
Revaluation reserve	320,954	-	-	320,954
	1,946,128	404,015	-	2,350,143
Restricted funds				
Property maintenance reserve	49,042	-	-	49,042
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	34,842	(981)	-	33,861
MJB Charitable Trust funded projects	5,254	1,618	-	6,872
	115,887	637	-	116,524
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	346,072	(3,482)	-	342,590
	646,072	(3,482)	-	642,590
TOTAL FUNDS	<u>2,708,086</u>	<u>401,170</u>	<u>-</u>	<u>3,109,256</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	6,428,107	(6,147,988)	(2,797)	277,322
Designated reserves	126,693	-	-	126,693
	6,554,800	(6,147,988)	(2,797)	404,015
Restricted funds				
Fareham and Gosport reserve	24,631	(25,612)	-	(981)
MJB Charitable Trust funded projects	83,629	(82,011)	-	1,618
	108,260	(107,623)	-	637
Endowment funds				
Leasehold property reserve	-	(3,482)	-	(3,482)
TOTAL FUNDS	<u>6,663,060</u>	<u>(6,259,093)</u>	<u>(2,797)</u>	<u>401,170</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

21. MOVEMENT IN FUNDS - CHARITY - continued

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,040,731	171,346	(184,229)	1,027,848
Designated reserves	390,000	-	284,229	674,229
General infrastructure reserve	444,972	-	(100,000)	344,972
Revaluation reserve	320,955	-	-	320,955
	2,196,658	171,346	-	2,368,004
Restricted funds				
Property maintenance reserve	49,042	-	-	49,042
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	33,861	-	-	33,861
Children and Young Persons	-	26,992	-	26,992
Peer Support	-	791	-	791
Wellbeing	6,872	32,557	-	39,429
	116,523	60,340	-	176,863
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	342,590	(3,482)	-	339,108
	642,590	(3,482)	-	639,108
TOTAL FUNDS	<u>2,955,771</u>	<u>228,204</u>	<u>-</u>	<u>3,183,975</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	7,805,588	(7,656,913)	22,671	171,346
Restricted funds				
Children and Young Persons	157,078	(130,086)	-	26,992
Peer Support	3,154	(2,363)	-	791
Wellbeing	106,994	(74,437)	-	32,557
Portsmouth	10	(10)	-	-
Employment & IAPT	100	(100)	-	-
Other charitable activities	11,643	(11,643)	-	-
	278,979	(218,639)	-	60,340
Endowment funds				
Leasehold property reserve	-	(3,482)	-	(3,482)
TOTAL FUNDS	<u>8,084,567</u>	<u>(7,879,034)</u>	<u>22,671</u>	<u>228,204</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

21. MOVEMENT IN FUNDS - CHARITY – continued

Comparatives for movements in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	763,297	323,819	(46,385)	1,040,731
Designated reserves	402,587	-	(12,587)	390,000
General infrastructure reserve	386,000	-	58,972	444,972
Revaluation reserve	<u>320,955</u>	<u>-</u>	<u>-</u>	<u>320,955</u>
	1,872,839	323,819	-	2,196,658
Restricted funds				
Property maintenance reserve	49,042	-	-	49,042
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	34,842	(981)	-	33,861
Wellbeing	<u>5,254</u>	<u>1,618</u>	<u>-</u>	<u>6,872</u>
	115,886	637	-	116,523
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	<u>346,072</u>	<u>(3,482)</u>	<u>-</u>	<u>342,590</u>
	<u>646,072</u>	<u>(3,482)</u>	<u>-</u>	<u>642,590</u>
TOTAL FUNDS	<u>2,634,797</u>	<u>320,974</u>	<u>-</u>	<u>2,955,771</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	6,162,302	(5,835,686)	(2,797)	323,819
Restricted funds				
Fareham and Gosport reserve	24,632	(25,613)	-	(981)
Wellbeing	<u>83,629</u>	<u>(82,011)</u>	<u>-</u>	<u>1,618</u>
	108,261	(107,624)	-	637
Endowment funds				
Leasehold property reserve	-	(3,482)	-	(3,482)
TOTAL FUNDS	<u>6,270,563</u>	<u>(5,946,792)</u>	<u>(2,797)</u>	<u>320,974</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

21. MOVEMENT IN FUNDS – continued

Unrestricted reserves

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

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

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

Restricted reserves

Property maintenance reserve - £49,042 as current assets specifically for major capital repairs and improvements of Solent Mind's Endowment Freehold and Leasehold Property in relation to the MJB Charitable Trust property donations.

Marcella House legacy reserve - £26,748 as cash received in 2008-09 from a legacy to be used specifically in the Marcella House project.

Fareham and Gosport reserve - funds transferred on merger with Mind Fareham and Gosport: Net Current Assets £33,861

Project specific funds for service delivery - Total funds held £89,632.

Permanent Endowment funds

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

Leasehold property reserve - £207,454 in relation to "Marcella House", a leasehold property and £131,654 in relation to "Abbey Close", another leasehold property donated by MJB Charitable Trust.

Restrictions and conditions

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

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

22. PENSION COMMITMENTS

Solent Mind operates a defined contribution pension scheme. The assets of the scheme are held separately from those of Solent Mind in a fund independently administered by the Pensions Trust. The total contributions in the year were £126,648 and £32,979 was outstanding at the year end.

SCHEME: TPT Retirement Solutions - The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022

22. PENSION COMMITMENTS - continued

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

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

PRESENT VALUE OF PROVISION

	31 March 2022 £	31 March 2021 £
Present value of provision	<u>11,664</u>	<u>45,967</u>

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period ending 31 March 2022 £	Period ending 31 March 2021 £
Provision at start of period	45,967	54,464
Unwinding of the discount factor (interest expense)	265	1,224
Deficit contribution paid	(11,632)	(11,293)
Remeasurements - impact of any change in assumptions	(268)	1,572
Remeasurements - amendments to the contribution schedule	<u>(22,668)</u>	<u>-</u>
Provision at the end of period	<u>11,664</u>	<u>45,967</u>

INCOME AND EXPENDITURE IMPACT

	Period ending 31 March 2022 £	Period ending 31 March 2021 £
Interest expense	265	1,224
Remeasurements - impact of any change in assumptions	(268)	1,572
Remeasurements - amendments to the contribution schedule	<u>(22,668)</u>	<u>-</u>

ASSUMPTIONS

	31 March 2022	31 March 2021
Rate of discount	% per annum 2.35	% per annum 0.66

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

23. CONTINGENT LIABILITIES

As at 31.03.22 Solent Mind has no contingent liabilities (None at 31.03.21).

24. RELATED PARTY DISCLOSURES

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

Mayfield Nurseries owed a balance of £7,252 to Solent Mind (2021: £4,476) at 31.3.22. Solent Mind owed a balance of £1,577 to Mayfield Nurseries (2021: £0) at 31.3.22.

On 1st April 2012 the finance and IT and related functions of Solent Mind and Mayfield Nurseries were transferred to Solent Support Solutions Limited a company which is jointly controlled by Solent Mind and Rose Road Association. Solent Support Solutions owed Solent Mind £912 (2021: £0) at 31.3.22 and Solent Mind owed Solent Support Solutions £7,183 (2021: £0) at 31.03.22.

On 18th July 2017, Solent Mind participated in creating a joint venture Community Interest Company, named Hampshire Mind CIC, with Havant Mind and Andover Mind and share equal control. Hampshire Mind CIC owed Solent Mind £51,521 (2021: £54,751) at 31.3.22 and Solent Mind owed Hampshire Mind CIC £124 (2020: £89) at 31.03.22.

25. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

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

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

	2022	2021
	£	£
Turnover	495,681	414,198
Cost of sales	(109,526)	(71,665)
Gross profit	386,155	342,533
Operating and administrative expenses	(378,117)	(262,338)
Operating profit	8,038	80,195
Retained reserves brought forward	153,484	73,289
Retained reserves	161,522	153,484