



# Middlesbrough and Stockton Mind Limited

Our vision is for the people of Teesside to enjoy good mental health, enabling them to lead full and happy lives.

## Trustees' Annual Report and Accounts

For the year ended 31 March 2022

**Charity number 1118098**  
**Company Limited by Guarantee number 5884630**

Registered office:  
The Mind Centre, 90-92 Lothian Road, Middlesbrough TS4 2QX

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## Report of the trustees for the year ending 31 March 2022

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ending 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

### Public benefit, objectives and activities

#### Public Benefit

The charity's activities have been undertaken with due regard to the guidance published by the Charity Commission on public benefit.

#### Objectives

The objects of Middlesbrough and Stockton Mind under its Memorandum and Articles of Association are:

- to promote the preservation of good mental health in particular by enabling and empowering everyone experiencing mental health problems to live with, manage and recover from their condition, and;
- to relieve the needs of people with mental health problems by working to increase the understanding of mental health and mental health problems by gathering and disseminating information and working to raise awareness, promote understanding and challenge stigma and discrimination.

Middlesbrough and Stockton Mind's overall vision is for the people of Teesside to enjoy good mental health, enabling them to lead full and happy lives.

In working towards our goal, we agreed the following objectives:

1. To continue to provide the high-quality project and services that enable people to recover, increase wellbeing and build resilience, focusing wherever possible on those with complex and over-lapping problems
2. To further strengthen our workforce by focussing on skills development, engagement, wellbeing, resilience and diversity, and guiding staff and volunteers with appropriate policies and systems
3. To diversify our income streams to increase financial stability
4. To increase understanding of the work we do and its impact and build a community of partners and stakeholders around improving mental health.

#### Activities

Our plans during the year continued to focus on supporting our staff, volunteers and beneficiaries to cope with the continuing pandemic and its wider impacts. In the face of ongoing uncertainty, and pressures on health and social welfare services, we continued to do all we could to support people who experience mental health issues through another difficult year.

The projects and services provided during the year included:

- **Advocacy** – we provided Independent Mental Health Advocacy, Independent Mental Capacity Act Advocacy, Care Act, Relevant Person's Representative advocacy and general non-statutory advocacy to help people to obtain their rights, treatment and care.
- **Ageing Better Middlesbrough** – with the National Lottery Community Fund's continued support, we extended the programme for a seventh and final year to support people aged over 50 in Middlesbrough impacted by Covid. The final year also enabled us to share learning from the full 7-year programme.
- **Appropriate Adult** – we trained and supported volunteer Appropriate Adults for vulnerable adults being detained or questioned by the police.
- **Arts and Minds** – in partnership with Stockton ARC, we began delivering an arts, crafts and social programme to support wellbeing through creativity, skills development and social contact.
- **Befriending** – we provided volunteer-led telephone befriending support for older people experiencing isolation or loneliness.
- **Carers, family members and friends** – we provided information, emotional and practical support for families and friends (unpaid carers) of people experiencing health problems. We

worked with local hospital services to support families with a family member being discharged from hospital care.

- **Children, young people and their families** – we provided evidence-based psychoeducation, emotional wellbeing support and psychological therapies in local schools for children and young people experiencing distress, emotional difficulties and mental health problems. As part of a local partnership across South Tees, we provided NHS therapy services and Mental Health Support Teams in Schools. We provided emotional and counselling support within the Footsteps GP-based emotional wellbeing service for young people in Stockton. With the support of Comic Relief, we provided additional support to young people affected by Covid.
- **Green Social Prescribing** – in partnership with 5 local voluntary organisations, we began a new project to connect people experiencing mental health difficulties impacted by Covid with nature-based activities to support their long-term health and wellbeing.
- **Help for people in hardship crisis** (Firm Foundations) – we provided practical and mental health support to people in severe hardship to improve their circumstances and build resilience, in partnership with Actes and Middlesbrough Financial Inclusion Group.
- **Maternal Mental Health** – we began a new project in partnership with the NHS and Ways to Wellness to provide link worker support for pregnant women and women with babies aged under 2 years.
- **Mental Health and Cancer Care Research** – we continued to research the experience of people with mental health problems who receive a cancer diagnosis. We produced a 'Passport to my health and wellbeing', a paper document which helps people who are living with cancer and a mental health condition describe what they need from health professionals. We worked in partnership with North East and North Cumbria NHS ICS to roll this out across the region.
- **Mentally Healthy Universities** – we worked with Mind, Goldman Sachs Gives and Teesside University to provide workshops and short-courses for students to support their mental wellbeing and provide tools and techniques to cope with the challenges of student life. We provided training for university staff to become peer supporters and mental health champions within the University.
- **Nature-based and gardening activity** (Ecominds) – we worked with local people to improve mental health and well-being through community gardening and other nature-based activities.
- **Peer support** – we delivered a number of new peer support groups to enable people experiencing mental health difficulties to get together in safe, social spaces to share their experiences, learn from each other and enjoy different activities.
- **Psychological therapies and recovery support** (Impact on Teesside) – we worked in partnership with Alliance Psychological Therapies and Insight Healthcare to deliver NHS primary care psychological therapies and wellbeing services across Teesside. We provided accredited primary care therapies. Our recovery support focussed on assertive outreach support for individuals with complex issues that prevented them from accessing help before reaching crisis point. We delivered wellbeing courses through the Recovery College. We trained people with lived experience of mental health problems to volunteer as college co-tutors and to facilitate peer support.
- **Social Prescribing** – we provided Social Prescribing Link Worker support for patients registered with GP practices across 5 Primary Care Networks in Middlesbrough, Eston and Stockton-on-Tees. We provided person-centred, holistic support based on the 'What matters to me' approach, addressing broad health and social issues and connecting people with community-based services and activities that were of interest to and benefit to them.
- **Volunteering and community action** – (Community Minded) we supported people to get involved and give back to their community by volunteering or taking part in community action.
- **Workplace wellbeing and counselling services** – we provided tailored consultancy and mental health training for employers and their workforces. We developed a paid therapy service to respond to individual and employer needs.

## Grant making

Our charitable activities did not include grant making. However, as lead partner in the Ageing Better Middlesbrough programme, we continued to contract with our delivery partners.

## Volunteering and participation

During the year, 124 people contributed to the work of our organisation in a formal voluntary capacity, with many others participating informally in project co-design work and one-off volunteering activities. Formal and informal volunteers continued to play a vital role in helping to design and deliver most of our projects and services and helping us to develop the work of the organisation.

One of our volunteers said: "I started volunteering with Community Minded in 2020, where I began my Level 2 peer mentoring course. I was also involved in developing courses for Mind. I helped support people on a one-to-one basis which allowed them to feel empowered and able to use their skills to develop and grow. As Community Minded is coming to an end, I will be looking to have another role with Middlesbrough and Stockton Mind and potentially find employment with yourselves".

## Achievements and performance

Middlesbrough and Stockton Mind worked hard to achieve a high level of success and performance during the year and meet the needs of local people, in spite of the continuing impact of Covid. We kept our services open and available to anyone who needed them, whilst following Government guidance to keep everyone safe. We continued to provide more phone and online support as new ways of working that had appealed and been effective. We embedded hybrid working to support our staff team.

During the year, we provided direct support services to more than 9,300 people through our community services and more than 14,300 people through our Impact on Teesside partnership. This is a tremendous achievement and credit to our staff and volunteers.

Within Impact on Teesside, we supported over 1,400 people through our Recovery and Foundations which is led by Middlesbrough and Stockton Mind. Within this pathway, we supported 93% of clients to make positive changes in their lives and achieve new goals, evidenced through the Recovery Star. One client said: 'Since working with (staff member) and Impact on Teesside, I now feel like there may be a light at the end of a very dark tunnel. All I have ever wanted is to be listened to in regards to my mental health. Finally, I am being heard. This is thanks to (staff member) who has been a guiding light for me. The months we have worked together, she gave me hope, coping mechanisms, advice and ultimately got me what I have always wanted. A diagnosis (through secondary care). I have just recently completed a Peer Support course with Impact, which I thoroughly enjoyed. I am hoping that in the near future I get to run my own peer support groups. Right now though I need to focus on me, and my journey to some emotional stability.'

Our Ageing Better Middlesbrough programme had changed significantly in response to the first year of the Covid pandemic. With the ongoing support and flexibility of the National Lottery Community Fund, we were able to extend the programme to March 2022 to ensure older people locally were supported through the remainder of the pandemic and that the final year's learning programme could be completed. We were able to continue to provide an Older People's Wellbeing service, telephone befriending, and digital inclusion support. The way we worked continued to evidence improved wellbeing, physical health and reduce loneliness for older people. Positive feedback from people using our services included feedback from a woman who had been recently widowed: 'Ageing Better had been there for me and without their support I don't think I would be here now, it's kept me going really'. Over 120 older people and stakeholders attended our 'Festival of Ageing Better' which launched Middlesbrough's application to be a WHO-recognised Age Friendly Town, as part of the legacy of Ageing Better Middlesbrough.

Our NHS-funded Social Prescribing Link Worker teams went from strength to strength, providing person-centred support to people who needed more than medical help. Our staff team grew to 23 staff, including senior link workers and team members focusing on health coaching and young people. The team worked with over 1,900 people during the year. Feedback to the team has included: 'I'm over the moon! I only said to you this morning I wanted to go out for walks with my carers this morning and a social worker has just rung me to say this will be arranged. Thank you for sorting this out I would not have known how to go about it. If I win the lottery, I am going to share it with you!'



Our team working with children and young people worked hard with wider stakeholders to meet growing demand. We worked directly in 21 primary and secondary schools across Teesside and complemented this by working with families and young people in community and GP settings. One of the young people fed back: 'It was nice to just open up about things and that someone would listen and give me great advice'. One grandparent told us: 'Thank you, I don't know what you've done but she's like a different kid. My Granddaughter appears settled already; she is looking forward to coming to school. She is now very chatty, talking about what you had been discussing. I feel very hopeful that the support will help her'.

We entered the final year of National Lottery Help through Crisis funding for Firm Foundation, a project that supported people in severe hardship. Our final project evaluation showed that 90% of beneficiaries had improved mental wellbeing, 80% were better able to manage their money and 69% were better able to manage their tenancy and accommodation. A beneficiary who had diabetes and was struggling to afford to eat, said Firm Foundations helped her to feel "more in control, my self-esteem is better and I'm not having so many hypos because I'm able to have food". Another beneficiary said, Firm Foundations "really did make me stop and see how I can solve it [finances], rather than how it can beat me...I've got no debt now". Another beneficiary described her improved resilience, "I know there is going to be bumps in the road...but I'm more prepared now, each time something comes up, I am handling it better".

## Financial review

Our income for this financial year was £3,964,235 – a reduction of £117,308 from the previous financial year (2021: £4,081,543), which reflects an increase of £355,502 in unrestricted income, offset by a net reduction of £472,810 in restricted funds for project work.

We spent £3,738,015 on delivering our projects and services during the year, a reduction of £46,330 on the previous year (2021: £3,784,345). This reflected a £450,522 increase in cost of activity on service delivery funded through unrestricted and designated funds, offset by a £496,852 reduction in spending on restricted fund projects.

### Reserves Policy

In line with Charity Commission requirements, the charity has a Reserves Policy based on a realistic assessment of its needs. During the financial year the Trustees undertook a review of their policy on reserves, based on an assessment of potential liabilities arising in future against the previous requirement to hold reserves at the level of around 6 months of operational expenditure. The outcome of the review was that the Trustees agreed to continue to hold General Reserves of £1,480,000 (2021: £1,465,000) with any excess at year end being transferred to the designated reserves for capacity building and the development and testing of new services.

Although the Trustees believe that it is prudent to maintain a proportion of the organisation's reserves in the ongoing uncertain of the Covid pandemic and the economic challenges of 2022, the Trustees also wanted to use some reserves to further the charity's objectives and support more people experiencing mental health difficulties and the cost of living crisis. The Trustees identified several areas where funding will be allocated, as described below.

### Designated funds

The designated reserves were increased to £954,658 at the end of the financial year in accordance with the revised policy described above. Designated funds remain in place for the Capital Asset Fund at £136,480. This represents our investment in the refurbishments of the Lothian Road building and is being written back over the term of the lease of the premises.

A five-year plan is maintained for the use of the other designated funds, including organisational development and capacity building, new business development, co-designing new services with local people, delivering peer support and community outreach activities. Expenditure on Pilot Projects in the year amounted to £43,749.

### **Social and financial investment**

Social investment does not form a material part of our charitable and investment activities. We undertook no social investment activities (as defined by the Charities (Protection and Social Investment) Act 2017) during the year. The financial investment of our cash deposits is made to produce the best financial return possible within an acceptable level of risk and taking account of the administrative costs involved.

### **Plans for the future**

During the second year of the pandemic, we continued to focus our work on supporting staff, volunteers and beneficiaries to maintain their wellbeing and stay resilient through ongoing uncertainty. The cost of living crisis that has emerged in 2022 is just as concerning in terms of impact on people's lives, health and wellbeing. Pressure on health and social welfare services has increased rather than eased. Middlesbrough and Stockton Mind feels this pressure too.

We are a resilient organisation and we will continue to diversify our activities and income streams to maintain stability and deliver the services people want from us. In response to ongoing pressure on public services, we are now contributing to many partnership initiatives aimed at making sure resources are used as effectively as possible through shared responsibilities and jointed up approaches. We expect this approach to grow and for partnership working to be an increasing area of our work. We're excited to see what more our existing partnerships deliver, and to be part of new partnerships in the coming year including for young people's services and community mental health.

## Reference and administrative information

Charity name	Middlesbrough and Stockton Mind Limited
Operating name	Middlesbrough and Stockton Mind Limited
Charity registration number	1118098
Company registration number	05884630
Registered office	The Mind Centre 90-92 Lothian Road Middlesbrough TS4 2QX
Bankers	Yorkshire Bank plc Central Branch Linthorpe Road Middlesbrough TS1 1RF
Auditors	Azets Audit Services Chartered Accountant & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle Upon Tyne NE3 3LS

The Directors of the charitable company are its trustees for the purpose of Charity Law. The Trustees and Chief Executive serving during the year and since the year end were as follows:

Trustees	Sue Cash Gary Emerson John Harrison (resigned 11.07.2022) Ruth Hicks Metab Hussain Charlie Nettle Joanne Ramsay (resigned 08.06.2021) Ruth Smith Thomas Smith Girija Taylor (appointed 14.03.2022) Nicola Wass (appointed 14.03.2022) David Williams (appointed 14.03.2022)
Chair:	Ruth Smith
Vice Chair:	Charlie Nettle
Treasurer:	John Harrison (resigned 11.07.2022) David Williams (appointed 11.07.2022)
Chief Executive:	Emma Howitt
Senior Management:	Kerry Robinson, Deputy Chief Executive Iain Fuller, Finance Manager Nicky Crombie, Human Resources Manager

## **Structure, governance and management**

### **Legal status and governing document**

Middlesbrough and Stockton Mind Limited is a charitable company limited by guarantee, incorporated on 24 July 2006. Its governing document is its Memorandum and Articles of Association.

### **Trading subsidiary**

Middlesbrough and Stockton Mind Limited has a trading subsidiary company, Middlesbrough and Stockton Mind Trading Limited. This company did not trade during the year and is not expected to do so in the foreseeable future.

### **Appointment and induction of trustees**

Trustees are recruited through public or targeted advertisement to ensure the appropriate mix of skills and knowledge and reflection of the local community. Each year, at the Annual General Meeting, one third of trustees retire and further trustees are appointed. Retiring trustees may be re-appointed. There is no maximum number of trustees. No persons external to the charity are entitled to appoint trustees.

New trustees are provided with information, support and training on their role, including their legal obligations under charity and company laws. They receive an induction and a handbook, which includes a copy of the Memorandum and Articles of Association and all other relevant documents. Trustees are encouraged to attend appropriate internal and external training opportunities to help them contribute as fully as possible to the organisation.

### **Organisational structure**

The Board of Trustees meets six times a year to consider governance and strategic issues. The Chief Executive has delegated responsibility for the operations of the organisation and implementation of the strategic plan, including staff management and fundraising. The Chief Executive reports on progress to the Board of Trustees. The Chief Executive is supported by the Senior Management Team.

### **The Mind Network and related parties**

Middlesbrough and Stockton Mind is part of the Mind network through the Mind Federation Agreement. This does not impact on Middlesbrough and Stockton Mind's operational policies.

Middlesbrough and Stockton Mind identifies one of its key roles as influencing others for the wider benefit of people who experience mental health problems, based on its insight into people's experiences locally. We do this by participating in multi-agency partnerships and supporting individuals and their families to raise issues themselves.

### **Pay policy for senior staff**

The Board of Trustees considers that the Senior Management Team comprises the key management personnel of the Charity in charge of operating the Charity on a day-to-day basis. The pay of senior staff within the team is reviewed annually. The Trustees benchmark against pay levels in the local and regional voluntary sector for similar size charities and using the ACEVO Pay Survey.

All trustees are volunteers and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 13 to the accounts.



## **Risk management**

The Trustees view that the principal risks and uncertainties facing the charity at the current time relate to the on-going long-term impacts of Covid and rising cost of living on our current activities and our work over the coming two to three years. This includes the economic impact of Covid and the cost of living crisis on our beneficiaries, staff, public services and funding.

Our risk management plans and systems include monthly review of high risks and associated mitigating actions at Trustees meetings and Senior Management Team meetings, regular review of Risk Register and detailed risk management plans for key risks, trustee leadership in the organisation's Audit and Risk sub-group, annual business and service/project plans, and our budgeting process.

## Statement of Trustee Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year, 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 the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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 auditor is 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

### Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Trustees on 24/11/2022  
and signed on its behalf by



**Ruth Smith, Chair of Board of Trustees**

## **Independent Auditor's Report to the Members of Middlesbrough and Stockton Mind Limited**

### **Opinion**

We have audited the financial statements of Middlesbrough and Stockton Mind Limited (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the 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 Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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 financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

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

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.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 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:

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and, compliance with the UK Companies Act and Charities Act.



Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

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



.....  
Simon Brown BA ACA DChA (Senior Statutory Auditor)  
For and on behalf of Azets Audit Services  
Chartered Accountants  
Statutory Auditor  
Bulman House Regent Centre  
Gosforth  
Newcastle Upon Tyne  
Tyne And Wear  
NE3 3LS

Date: 9/12/22 .....

Azets Audit Services is a trading name of Azets Audit Services Limited.

**Statement of Financial Activities**  
**(including summary income and expenditure account)**

**For year ended 31st March 2022**

	<b>Note</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
<b>Income</b>					
<b>Income from donations and legacies</b>					
- Donations		41,755	-	41,755	86,535
- Government Grants (CJRS)		491	575	1,066	76,298
<b>Income from charitable activities</b>					
- contracts and grants receivable	2	2,878,624	1,032,826	3,911,450	3,896,091
- other income from charitable activities		-	2,948	2,948	-
<b>Income from investments</b>					
- Interest received		7,016	-	7,016	22,619
<b>Total income</b>		<u>2,927,886</u>	<u>1,036,349</u>	<u>3,964,235</u>	<u>4,081,543</u>
<b>Expenditure</b>					
Expenditure on charitable activities	3	<u>2,961,044</u>	<u>776,971</u>	<u>3,738,015</u>	<u>3,784,345</u>
<b>Total expenditure</b>		<u>2,961,044</u>	<u>776,971</u>	<u>3,738,015</u>	<u>3,784,345</u>
<b>Net income/(expenditure)</b>		(33,158)	259,378	226,220	297,198
Transfers between funds	1	<u>186,622</u>	<u>(186,622)</u>	-	-
<b>Net movement in funds for the year</b>		<u>153,464</u>	<u>72,756</u>	<u>226,220</u>	<u>297,198</u>
<b>Fund balances brought forward</b>		<u>2,281,194</u>	<u>188,337</u>	<u>2,469,531</u>	<u>2,172,333</u>
		<u><b>2,434,658</b></u>	<u><b>261,093</b></u>	<u><b>2,695,751</b></u>	<u><b>2,469,531</b></u>

The notes on pages 16 to 29 form part of these accounts.

## Balance Sheet

As at 31 March 2022	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	222,231	254,102
Investments in subsidiary	1	1	1
		<u>222,232</u>	<u>254,103</u>
Current assets			
Debtors	9	404,050	290,274
Cash at bank and in hand		<u>2,354,506</u>	<u>2,241,750</u>
		<u>2,758,556</u>	<u>2,532,024</u>
Creditors: amounts falling due within one year	10	285,037	316,596
Net current assets/(liabilities)		<u>2,473,519</u>	<u>2,215,428</u>
Net assets		<u>2,695,751</u>	<u>2,469,531</u>
Funds	11		
Unrestricted funds:			
General funds		1,480,000	1,465,000
Designated funds		954,658	816,195
		<u>2,434,658</u>	<u>2,281,195</u>
Restricted funds		261,093	188,336
Total Funds	19	<u>2,695,751</u>	<u>2,469,531</u>

Approved by the Board of Directors/Trustees on 24/11/22

  
D Williams (Treasurer)

  
R Smith (Chair)

Company Number 5884630

The notes on pages 16 to 29 form part of these accounts.

## Statement of Cash Flows

For year ended 31st March 2022	Note	2022	2021
		£	£
Cash flows from operating activities			
Net cash provided (used in) operating activities	18	105,741	753,508
Cash flows from investing activities		7,016	22,619
Change in cash and cash equivalents in the year		<u>112,757</u>	<u>776,127</u>
Cash and cash equivalents at the beginning of the year		<u>2,241,749</u>	<u>1,465,622</u>
Cash and cash equivalents at the end of the year		<u><u>2,354,506</u></u>	<u><u>2,241,749</u></u>



## NOTES TO THE ACCOUNTS

### 1. (a) General information and basis of preparation

Middlesbrough and Stockton Mind Ltd is a private company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 6 of these financial statements. Our main objective is to provide the high-quality projects and services that enable people experiencing emotional or mental health problems and their families to recover, increase wellbeing and build resilience.

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Accounting Policies

##### Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS102).

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

##### Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Grants payable the third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside the control of the charity.

## **Accounting policies (continued)**

### **Fixed assets**

Only fixed assets with an initial value or cost of at least £1,000 are capitalised. Fixed assets are initially recorded at purchase cost plus the costs of any directly attributable expenditure.

### **Depreciation**

Depreciation is provided on a straight line basis over the useful economic life of the asset. In view of the short term nature of some of the restricted projects, the Board considers it prudent to write off fixed assets purchased from restricted funds in full in the year of acquisition.

The leasehold property alterations are depreciated on a straight-line basis over the 15 year term of the lease. Freehold Property is depreciated over 50 years on a straight-line basis. Associated grant funding is shown as a designated fund and will be written down over the same period.

### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

### **Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

### **Fund accounting**

General funds are unrestricted funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are those which can only be used in accordance with the wishes of the donor.

### **Pension contributions**

The charitable company operates a Group Personal Pension Scheme, operated through the Pensions Trust, for the benefit of its own staff. Pension contributions to defined contribution schemes are written off to the statement of financial activities in the year to which they relate.

### **Transfers between funds**

The transfer from restricted funds to unrestricted funds represents management and administration charges earned on projects and any surpluses or deficits on the finalisation of projects (subject to funders agreement).

## **Accounting Policies (continued)**

### **Subsidiary Company**

Consolidated accounts have not been prepared this year as the wholly owned subsidiary, Middlesbrough and Stockton Mind Trading Limited, did not trade during the year and is not expected to do so in the foreseeable future.

### **Judgements and key sources of estimation uncertainty**

There are no judgements (apart from those involving estimates) that have had a significant effect on amounts recognised in the financial statements:

The estimates and assumptions that could have a significant potential impact on the carrying values of assets and liabilities are as follows:

Useful economic lives of tangible fixed assets

These are set out in the depreciation policy note above and are the best estimate based on past experience and expected performance.

## Notes to the accounts

### 2. Income from Charitable Activities

#### Contracts and grants receivable

	2022 £	2021 £
Unrestricted - general income:		
NHS - commissioned services	2,338,371	2,035,567
Local Authority - commissioned services	281,215	213,434
Gwyneth Forrester Trust	-	25,000
County Durham Foundation	-	20,000
Other contracts	259,038	179,024
	<u>2,878,624</u>	<u>2,473,025</u>
Restricted income:		
The National Lottery Community Fund - Community Minded	73,488	72,047
The National Lottery Community Fund - Firm Foundations	25,643	107,197
The National Lottery Community Fund & European Social Fund - Step Forward Tees Valley	-	41,918
The National Lottery Community Fund - Ageing Better	595,445	977,954
The National Lottery Community Fund - Covid response	-	66,099
National Mind - Mentally Healthy Universities	30,084	51,778
Sport England - Energise	-	22,076
Comic Relief - # Let's do it	-	28,901
Macmillan	-	18,663
BBC Children in Need - Mindset	38,426	19,213
Comic relief - Covid relief funds	-	17,220
Blue Stone Collaborative - Maternal Mental Health	9,000	-
Comic Relief - Arts & Minds	53,896	-
National Mind - Investing in Mental Health	88,264	-
NHS Charities together - Rooted in Nature	54,005	-
Middlesbrough Voluntary Development Agency - Resilience Fund Middlesbrough	4,500	-
Catalyst Stockton on Tees Ltd - Resilience Fund Stockton	18,419	-
Department of Health - Suicide Prevention Fund	41,656	-
	<u>1,032,826</u>	<u>1,423,066</u>
Total incoming resources from charitable activities	<u>3,911,450</u>	<u>3,896,091</u>



## Notes to the Accounts (continued)

### 3. Analysis of Resources Expended

	Basis of Allocation	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
		£	£	£	£
<b>Charitable Activities</b>					
Salaries	Direct	2,529,216	284,718	2,813,934	2,599,306
Pension costs	Direct	74,099	6,807	80,906	70,467
Other staff costs	Direct	40,837	1,324	42,161	49,325
Volunteer costs	Direct	6,036	179	6,215	6,287
Premises costs	Hours	122,046	28,220	150,266	180,958
Insurance	Hours	7,850	-	7,850	5,536
Service delivery costs	Direct	134,163	455,723	589,886	820,345
Legal fees	Hours	2,553	-	2,553	3,690
Accountancy services	Hours	3,600	-	3,600	3,600
Audit fees	Hours	5,400	-	5,400	5,400
Trustee expenses	Direct	-	-	-	269
Depreciation	Usage	31,872	-	31,872	36,624
Mind affiliation fees	Hours	2,064	-	2,064	2,064
Bank charges and interest	Hours	1,308	-	1,308	474
<b>Total 2022</b>		<b>2,961,044</b>	<b>776,971</b>	<b>3,738,015</b>	<b>3,784,345</b>
<b>Total 2021</b>		<b>2,510,523</b>	<b>1,273,822</b>	<b>3,784,345</b>	

## Notes to the Accounts (continued)

### 4. Net Incoming resources for the Year

	2022	2021
	£	£
Net incoming resources for the year is stated after charging:		
Directors'/Trustees' emoluments	-	-
Depreciation of owned fixed assest	31,871	36,624
Auditors remuneration	5,400	5,400

### 5. Trustees Indemnity Insurance

The charity subscribes to Mind Block Insurance, which is provided by a third party, and purchased indemnity insurance within the terms of the 1996 agreement. A total of £392.00 was paid during the year.

## Notes to the Accounts (continued)

### 6. Employee Emoluments

The number of staff employed by the charity during the year was as follows:

	2022	2021
	Staff	Staff
Average number	145	120

The aggregate payroll costs of the above were:

	2022	2021
	£	£
Wages and Salaries	2,595,564	2,403,323
Social Security costs	218,370	195,983
Pension Costs - defined contribution scheme	71,925	60,635
Pension Costs - defined benefit scheme	8,981	9,832
	<u>2,894,840</u>	<u>2,669,773</u>

One employee (2021: one) received employee benefits during the reporting period in the band £60,000 - £70,000

The key management personnel comprise the trustees, the Chief Executive Officer, the Deputy Chief Executive Officer, the Finance Manager and the Human Resources Manager of Middlesbrough and Stockton Mind Limited

The total employee benefits of the key management personnel of the charity were £176,902 (2021: £176,797).

The charity has two pension schemes in operation. The main scheme is a defined contribution scheme and is available to all employees who meet the qualifying criteria. The other is a defined benefit scheme and is restricted to three members of staff who transferred to the organisation under TUPE on 1 April 2020.

	2022	2021
	£	£
Pension contributions due but not paid to the schemes at 31 March:		
Defined contribution scheme	18,355	18,520
Defined benefit scheme	819	819
	<u>19,174</u>	<u>19,339</u>

The above balances are included in Other creditors in Note 10.

## Notes to the Accounts (continued)

### 7. Taxation

The charity is exempt from Corporation Tax on its charitable activities and the Board believe that no liability has arisen during the year.

### 8. Fixed assets

	Freehold Property	Leasehold Property	Office Equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1st April 2021	125,000	436,560	105,485	667,045
Additions	-	-	-	-
<b>At 31 March 2022</b>	<b>125,000</b>	<b>436,560</b>	<b>105,485</b>	<b>667,045</b>
<b>Depreciation</b>				
At 1st April 2021	17,500	291,041	104,402	412,943
Charged in year	2,500	29,104	267	31,871
<b>At 31 March 2022</b>	<b>20,000</b>	<b>320,145</b>	<b>104,669</b>	<b>444,814</b>
<b>Net Book Value</b>				
At 31 March 2021	107,500	145,519	1,083	254,102
<b>At 31 March 2022</b>	<b>105,000</b>	<b>116,415</b>	<b>816</b>	<b>222,231</b>

## Notes to the Accounts (continued)

### 9. Debtors

	2022	2021
	£	£
Trade debtors	386,132	218,356
Other debtors	5,320	52,996
Prepayments	12,598	18,922
	<b>404,050</b>	<b>290,274</b>

### 10. Creditors

	2022	2021
	£	£
Trade creditors	38,997	22,483
Taxation and social security	51,635	48,107
Accruals and deferred income (note 10.1)	157,000	200,771
Other creditors	37,405	45,235
	<b>285,037</b>	<b>316,596</b>

#### 10.1 Analysis of deferred income included in Accruals and Deferred Income above:

	2022	2021
	£	£
Balance brought forward	196,257	126,304
Received in year	151,598	196,257
Released in year	(196,257)	(126,304)
Balance carried forward	<b>151,598</b>	<b>196,257</b>

## Notes to the Accounts (continued)

### 11. Movement in Funds - current year

	2021	Incoming resources	Expended resources	Transfers	2022
	£	£	£	£	£
<b>Restricted Funds</b>					
The National Lottery Community Fund:					
- Ageing Better	46,741	597,278	(540,068)	(102,600)	1,351
- Firm Foundations	45,785	25,643	(70,895)	(533)	-
- Community Minded	21,067	73,488	(35,315)	(11,044)	48,196
National Mind - Mentally healthy Universities	14,036	30,084	(41,680)	(2,440)	-
Comic Relief - #Let's do it	45,590	1,115	(16,491)	-	30,214
Jill Franklin Trust	982	-	-	-	982
BBC Children in Need - Mindset	6,560	38,426	(21,934)	(5,430)	17,622
BUPA - Ecominds	7,575	575	(5,193)	-	2,957
National Mind - Investing in Mental Health	-	88,264	(10,318)	-	77,946
NHS Charities Together - Rooted in Nature	-	54,005	(35,076)	-	18,929
Blue Stone Collaborative - Maternal Mental Health	-	9,000	-	-	9,000
Comic Relief - Arts & Minds	-	53,896	-	-	53,896
Middlesbrough Voluntary Development Agency - Resilience Fund Middlesbrough	-	4,500	-	(4,500)	-
Catalyst Stockton on Tees Ltd - Resilience Fund Stockton	-	18,419	-	(18,419)	-
Department of Health - Suicide Prevention Fund	-	41,656	-	(41,656)	-
<b>Total restricted funds</b>	<b>188,336</b>	<b>1,036,349</b>	<b>(776,970)</b>	<b>(186,622)</b>	<b>261,093</b>
<b>Unrestricted Funds</b>					
Designated Funds					
Other Pilot Projects	650,344	-	(43,749)	211,583	818,178
Capital Asset Fund	165,851	-	-	(29,371)	136,480
	816,195	-	(43,749)	182,212	954,658
General Reserves	1,465,000	2,927,885	(2,917,295)	4,410	1,480,000
<b>Total Unrestricted Funds</b>	<b>2,281,195</b>	<b>2,927,885</b>	<b>(2,961,044)</b>	<b>186,622</b>	<b>2,434,658</b>
<b>Total Funds</b>	<b>2,469,531</b>	<b>3,964,234</b>	<b>(3,738,014)</b>	<b>-</b>	<b>2,695,751</b>



## Notes to the Accounts (continued)

### Transfers

Transfers from restricted funds represent overhead charges which are levied in accordance with the funding agreement of each fund. Transfers from the capital asset fund relate to the write down of refurbishment works on the Lothian Road premises. Transfers to the Other Pilot Projects fund represent excess funds transferred from general reserves (see Designated Funds on page 4).

### Ageing Better Middlesbrough

We led the project, which was a partnership with other local organisations aimed at tackling loneliness and isolation in people over 50 in Middlesbrough. The scheme ended on 31 March 2022. A follow on scheme 'Age Friendly Middlesbrough' will operate for 2022/23 supported by Big Lottery and Middlesbrough Borough Council.

### Firm Foundations

We provided practical and mental health support to people in severe poverty to improve their circumstances and build resilience, in partnership with Actes and Middlesbrough Financial Inclusion Group. The scheme was due to end in 2021/22 but further funding has been agreed for two more years.

### Community Minded

We supported people to get involved and give back to their local community by volunteering or taking part in community action.

### Mentally Healthy Universities

We worked with Mind, Goldman Sachs Gives and Teesside University to provide workshops and short-courses for students to support their mental wellbeing and provide tools and techniques to cope with the challenges of student life. The scheme ended in 2021/22.

### #Let's do it

We work alongside young men aged 14 to 20 to jointly run fun activities that promote good mental health and well-being.

### Jill Franklin Trust

We receive a small contribution on an occasional basis and use the funds to support individuals by making small grants. There was no activity in the year.

### BBC Children in Need – Mindset

We received funding to support young people impacted by Covid.

### BUPA

We received funding to support people to improve their mental health and wellbeing through allotment gardening and other nature-based activities.

### National Mind - Investing in Mental Health (renamed Money and Me)

We work with people who are struggling with their finances and don't know how to start sorting things out.

### NHS Charities Together – Rooted in Nature

The project began in January 2022 and is aimed at helping individuals and families with mental health needs to get out and enjoy nature, meet new people, develop new interests and learn new skills.

### Blue Stone Collaborative – Maternal Mental Health

We work with new and expectant mothers to help them overcome feelings of sadness and isolation.

### Comic Relief – Arts and Minds

We work with artists at Stockton ARC, where people can learn a new skill, meet and connect with new people, while boosting their mood and confidence.

### Resilience funds – Middlesbrough and Stockton

We secured funding from Middlesbrough Voluntary Development Agency and Catalyst Stockton to support our Peer Support project, which is one of our Designated Fund Pilot Projects

### Department of Health – Suicide Prevention fund

The fund was made available to voluntary organisations to support cost of increased demand for suicide prevention work arising from COVID-19.

Notes to the Accounts (continued)

12. Analysis of Net assets between Funds

	Unrestricted Funds	Designated Funds	Restricted Funds	2022 Total
	£	£	£	£
Tangible Fixed Assets	105,000	117,231	-	222,231
Investment in subsidiary	1	-	-	1
Net Current Assets	1,374,999	837,427	261,093	2,473,519
<b>As at 31st March 2022</b>	<b>1,480,000</b>	<b>954,658</b>	<b>261,093</b>	<b>2,695,751</b>

	Unrestricted Funds	Designated Funds	Restricted Funds	2021 Total
	£	£	£	£
Tangible Fixed Assets	107,500	146,602	-	254,102
Investment in subsidiary	1	-	-	1
Net Current Assets	1,357,499	669,593	188,336	2,215,428
<b>As at 31st March 2021</b>	<b>1,465,000</b>	<b>816,195</b>	<b>188,336</b>	<b>2,469,531</b>

## Notes to the Accounts (continued)

### 13 Trustee Expenses

No travel expenses were paid in respect of board members in the year (2021: £269). No Trustees received remuneration in the year (2021: £Nil)

### 14. Company Limited by Guarantee

The company is limited by guarantee and does not have a share capital.

### 15. Subsidiary Company

Middlesbrough and Stockton Mind Trading Limited (Company number 07158554) is a wholly owned subsidiary of Middlesbrough and Stockton Mind Limited and has been dormant since 31<sup>st</sup> March 2012.

### 16. Related Party transactions

There were no transactions with related parties during the year.

### 17. Capital and Operating Lease Commitments

At 31<sup>st</sup> March 2022 there were no commitments to capital expenditure.

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
<b>Land and buildings</b>		
Within one year	34,980	49,920
Between one and five year	97,500	124,980
After 5 years	-	7,500
	<b>132,480</b>	<b>182,400</b>

# 18. Reconciliation of Net Income to Net Cash flow from Operating Activities

	2022	2021
	£	£
Net Income for the year (per SOFA)	226,220	297,198
Adjustments for:		
Depreciation	31,872	36,624
(Increase)/decrease in debtors	(120,792)	(368,877)
Increase/(decrease) in creditors	(31,559)	159,146
	<u>105,741</u>	<u>124,091</u>

# 19. Analysis of Net Funds

	Brought Forward 2021	Movement in year	Carried forward 2022
	£	£	£
Cash	<u>2,241,750</u>	<u>112,756</u>	<u>2,354,506</u>
Total	<u>2,241,750</u>	<u>112,756</u>	<u>2,354,506</u>