

**Charity Registration No. 701260**

**Company Registration No. 02339094 (England and Wales)**

**HEREFORDSHIRE MIND**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

# HEREFORDSHIRE MIND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Ms C Shovlin Mr M Waller Mr A Wilcox Mr A Fry Mr A Last Ms J Wickett
<b>Chief Executive</b>	Ms A Lawrence
<b>Charity number</b>	701260
<b>Company number</b>	02339094
<b>Registered and Principal office</b>	Heffernan House 130-132 Widemarsh Street Hereford HR4 9HN
<b>Auditor</b>	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
<b>Bankers</b>	CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ  Big Issue Invest 113-115 Fonthill Road London N4 3HH

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# HEREFORDSHIRE MIND

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2021*

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The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's constitution, 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)".

### **Objectives and activities**

The Charity's objects are to focus on assisting in relieving and rehabilitating persons suffering from mental disorders or conditions of emotional or mental distress. There is unrestricted access to our services for all affected by such conditions and in consequence the activities delivered are for public benefit.

Our vision is of a world where everyone gets the respect and support they need to achieve good mental wellbeing.

To realise this, our Mission is to provide quality support, whilst raising awareness and promoting understanding about mental health issues.

We are (our Values)...

Independent: we will use our independence to speak out on behalf of people with mental health problems.

Responsive: we listen to what people tell us and act on this.

Open: we are transparent and accountable in all that we do.

Collaborative: working with others, we achieve more.

Creative: we nurture creativity and innovation.

The Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the Charity should undertake.

Our nursing based care home provision is the bedrock of the organisation's activities from our "Shires" care home on Aylestone Hill, Hereford. This offers a slow stream recovery model for residents with serious and enduring mental health problems. Funding is via individual placements from local authorities and the NHS.

We also continue to provide Community Hub Activities, which is the original core service, operating from our hub in Hefferman House, with "outreach" across the county delivering activities and support-based work.

With the changes in public sector funding, Herefordshire Mind has been under continuing pressure to seek additional sources of funding and we are grateful for the considerable support from the public and charitable funders.

We remain dependent on funding, donations, corporate sponsorship and legacies for much of what we deliver and we would like to thank all those organisations, national and local, charitable foundations and individuals who have helped to sustain our work.

# HEREFORDSHIRE MIND

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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### **Achievements and performance**

April 2020 – April 2021 were an unprecedented 12 months for the whole world and us as we all faced the challenges of Covid. The Trustees would like to pay tribute to all of our staff, who quickly adapted to the demands of Covid and lock downs to ensure that we maintained continuity of existing services and also introduced a series of new initiatives in support of our communities. All this whilst ensuring the safety of our service users and colleagues.

Herefordshire Mind as a direct deliverer of services remained fully operational during this time delivering direct care through our Mental Health Nursing Home The Shires, our supported housing project Ferncroft, our intensive Housing scheme and our newly established Safe Haven crisis service. A number of our activities and staff also made use of online formats as appropriate.

The Art space group has expanded and remained virtually connected through the first lockdown then returning to Heffernan House with Covid measures in place. The Poetry and Music groups went online and we also were able to offer the addition of mindful breathing and relaxation sessions online.

Our community Support teams took a blended approach to support throughout 2020-21 providing face to face or phone support according to clients preferences. Despite the challenges of Covid, Herefordshire Mind has seen a period of growth through 2020-2021 with our involvement in the Mental Health Transformation project which Herefordshire & Worcester Health and care Trust was an early implementer site for. This has led to the development of a team of Herefordshire Mind link workers who sit alongside the statutory Neighbourhood Mental Health teams and work to provide Mental Health support to individuals across Herefordshire. In the first year of operation the link worker team supported over 253 clients. In 2021-22 this service will be developing further with the inclusion of two CENS (Complex emotional Needs) peer support workers.

In March 2020 we launched our new Safe Haven Crisis service running 3 evenings a week, in July 21 we extended this service to 7 nights a week, 365 days a year. To date this service has supported over 395 individuals who are at point of emotional crisis or experiencing suicidal thoughts.

In 2020 we were successful in securing funding to develop a new affordable/free counselling service due to Covid we did delay launch of this face to face service until April 21.

In Sept 2021 we successfully secured the sale of Miller Court which meant we were able to settle our longstanding loan with Big Issue Invest and discharge all liabilities on this building. The Trustees would like to acknowledge the exceptional support provided by Big Issue Invest since their involvement with this project dating back to 2015. Their continued support was key in enabling the eventual discharge of this liability.

Herefordshire Mind has adapted well and responded with resilience during this challenging year and the staff team have truly shown their dedication and commitment to all who we support. As Mental Health need increases as a result of the pandemic we feel we are well positioned to respond to this demand and further expand our reach and services accordingly.

# HEREFORDSHIRE MIND

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

### Financial review

In common with the rest of the 3rd sector and with all suppliers of health and social care services, our environment remains very difficult, comprising a steady increase in the demand for services coupled with continued pressures on funding.

However, the charity successfully increased its income by £232,035 (21.5%) over the previous year. The main reason for the increase was due to additional housing rents received in connection to the Housing in Mind project, together with funding for Community Health Transformation.

The net resulting increase in funds from activities before accounting for a fair value revaluation adjustment on Miller Court, amounted to £211,797, £195,087 of this relating to unrestricted funds.

The lease on Miller Court came to an end in September 2020, the property continued to be marketed for sale with a reduced guide price of £1,600,000, this unfortunately resulted in a further fair value loss of £275,000 (2020- £825,000) being recognised this year and led to an overall net movement in funds of a deficit of £63,203 in comparison to a deficit of £714,887 in 2020.

Total reserves as at 31 March 2021 amounted to £575,684 (2020 £638,887), which comprised, restricted funds of £606,173, designated funds set aside for future funding purposes of £15,818 and unrestricted funds a deficit of £46,307.

The Board of Trustees established an objective, for free reserves (unrestricted funds not committed or invested in tangible fixed assets) to equal one month of resources expended; this equates to (excluding Miller Court) approximately £81,000 at 2019/20 expenditure levels. At this level the Board of Trustees feel the organisation would be able to meet most contingencies without affecting day-to-day activities.

Free reserves as at the year end amounted to a deficit of £98,846 (2020 - deficit £43,939). In order to rebuild these reserves to be in line with this policy, efforts are being made to expand current services and fundraising and remodel current projects to ensure their financial viability.

A sale of Miller Court has been completed since the reporting date and in accordance with the terms agreed with Big Issue Invest, interest of approximately £323,000 will be released to the Statement of Financial Activities in the 2022 financial year which will redress the deficit position.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these accounts. This following the successful sale of Miller Court.

The full support of the key stakeholders of the charity has been invaluable.

### Future Plans

As we progress into 2021/22 Herefordshire Mind is increasingly aware of the strain that Covid-19 and the pandemic has placed on people's mental health and Mental Health services, therefore we are planning for a significant increase in demand and looking to expand our services accordingly. We hope to continue to be involved in the groundbreaking mental health transformation project establishing a team of link workers to work alongside clinical statutory Mental health teams and also expanding our services into online delivery and counselling. Fundraising has been challenging but we have been able to capitalise on the increase in Covid-19 related funding and funding for mental health. We want to ensure that everyone who has faced increased mental health challenges through 2021/22 does not face those issues alone.

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## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

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### Structure, governance and management

The Charity is a company limited by guarantee incorporated in England and Wales. The Charitable Company is governed by its Memorandum and Articles of Association dated 25 January 1989 and as amended by special resolution dated 16 July 1991, 26 July 1994, 18 January 2000 and 21 November 2001.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms C Shovlin  
Mr M Waller  
Mr A Wilcox  
Mr A Fry  
Mr A Last  
Ms J Wickett

The Trustees of Herefordshire Mind are appointed either through election at the Annual General Meeting or by co-option by existing Trustees at their meetings during the year. New Trustees are given an induction pack that explains their legal obligations under charity and company law and their proposed role in the charity. They are also given an opportunity to see the charities operations and to meet key employees and the Trustees.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The board of Trustees administers the charity. The board appoints a Chief Executive Officer to manage the day to day operations of the charity and there is further delegation, within terms approved by the Trustees. The Chief Executive Officer is Alicia Lawrence.

The pay of key management personnel is set by the Board having due regard to responsibilities, experience and rates of pay in the health sector.

### Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

The Trustees' report was approved by the Board of Trustees.

### Mr M Waller

Trustee (Director)  
Dated: 17 December 2021

# HEREFORDSHIRE MIND

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 MARCH 2021*

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The Trustees, who are also the directors of Herefordshire Mind for the purpose of company law, are responsible for preparing the Trustees' 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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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



# HEREFORDSHIRE MIND

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF HEREFORDSHIRE MIND

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### Opinion

We have audited the financial statements of Herefordshire Mind (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

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## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEREFORDSHIRE MIND

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, who are also the directors of the Charity for the purpose of company law, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board is obtained and their attitude to risk ascertained
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
- it is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charity

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## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEREFORDSHIRE MIND

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### **Audit response to risks identified**

The information obtained through the assessment to risk procedures is reviewed and the following work undertaken:

- processes to test the outcomes of our assessment include, a review of Board minutes, analytical review, the relevance and accuracy of significant accounting estimates, substantive testing of significant transactions, work to identify unusual or unexpected accounting entries including the testing of journal entries, information disclosed in the financial statements is traced to supporting documentation. In all instances it is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error.

- an understanding of the legal and regulatory framework as applicable to the charity is obtained together with knowledge of the procedures put in place by the charity in order to comply with the same

It should be noted that Auditing standards limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Sarah Morley ACA (Senior Statutory Auditor)**  
**for and on behalf of Kendall Wadley LLP**

17 December 2021

**Chartered Accountants**  
**Statutory Auditor**

Granta Lodge  
71 Graham Road  
Malvern  
Worcestershire  
WR14 2JS

Kendall Wadley LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

# HEREFORDSHIRE MIND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

### Current financial year

		Unrestricted funds	Designated funds	Restricted funds	Total	Total
		2021	2021	2021	2021	2020
	Notes	£	£	£	£	£
<b><u>Income and endowments from:</u></b>						
Donations and legacies	3	25,404	500	52,242	78,146	82,169
Charitable activities	4	1,108,134	-	-	1,108,134	886,645
Activities for generating funds	5	67,360	-	-	67,360	108,563
Investments	6	101	-	-	101	263
Other income	7	55,934	-	-	55,934	-
<b>Total income</b>		<b>1,256,933</b>	<b>500</b>	<b>52,242</b>	<b>1,309,675</b>	<b>1,077,640</b>
<b><u>Expenditure on:</u></b>						
Raising funds	8	703	-	-	703	600
Charitable activities	9	1,061,143	4,729	31,303	1,097,175	966,927
<b>Total resources expended</b>		<b>1,061,846</b>	<b>4,729</b>	<b>31,303</b>	<b>1,097,878</b>	<b>967,527</b>
Net gains/(losses) on investments	13	(275,000)	-	-	(275,000)	(825,000)
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(79,913)</b>	<b>(4,229)</b>	<b>20,939</b>	<b>(63,203)</b>	<b>(714,887)</b>
Fund balances at 1 April 2020		33,606	20,047	585,234	638,887	1,353,773
<b>Fund balances at 31 March 2021</b>		<b>(46,307)</b>	<b>15,818</b>	<b>606,173</b>	<b>575,684</b>	<b>638,887</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HEREFORDSHIRE MIND

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds	Designated funds	Restricted funds	Total
		2020	2020	2020	2020
	Notes	£	£	£	£
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	57,128	-	25,041	82,169
Charitable activities	4	886,645	-	-	886,645
Activities for generating funds	5	108,563	-	-	108,563
Investments	6	263	-	-	263
<b>Total income</b>		1,052,599	-	25,041	1,077,640
<b><u>Expenditure on:</u></b>					
Raising funds	8	600	-	-	600
Charitable activities	9	948,627	1,203	17,096	966,926
<b>Total resources expended</b>		949,227	1,203	17,096	967,526
Net gains/(losses) on investments	13	(825,000)	-	-	(825,000)
Gross transfers between funds	14	(12,134)	12,134	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(733,762)	10,931	7,945	(714,886)
Fund balances at 1 April 2019		767,368	9,116	577,289	1,353,773
<b>Fund balances at 31 March 2020</b>		33,606	20,047	585,234	638,887

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HEREFORDSHIRE MIND

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	15		632,526		620,989
<b>Current assets</b>					
Debtors	16	42,699		44,714	
Property held for sale	17	1,600,000		1,875,000	
Cash at bank and in hand		571,978		309,649	
			2,214,677		2,229,363
<b>Creditors: amounts falling due within one year</b>	18	(247,791)		(137,737)	
Net current assets			1,966,886		2,091,626
<b>Total assets less current liabilities</b>			2,599,412		2,712,615
<b>Creditors: amounts falling due after more than one year</b>	20		(2,023,728)		(2,073,728)
<b>Net assets</b>			575,684		638,887
<b>Income funds</b>					
Restricted funds	23	606,173		585,234	
Designated funds	24	15,818		20,047	
Unrestricted funds		(46,307)		33,606	
			575,684		638,887

# HEREFORDSHIRE MIND

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2021**

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The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 17 December 2021

Mr M Waller  
**Trustee (Director)**

**Company Registration No. 02339094**

# HEREFORDSHIRE MIND

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2021**

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	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	30		331,327		130,703
<b>Investing activities</b>					
Purchase of tangible fixed assets		(19,099)		-	
Interest received		101		263	
		<hr/>		<hr/>	
<b>Net cash (used in)/generated from investing activities</b>			(18,998)		263
<b>Financing activities</b>					
Repayment of bank loans		(50,000)		(50,000)	
		<hr/>		<hr/>	
<b>Net cash used in financing activities</b>			(50,000)		(50,000)
<b>Net increase in cash and cash equivalents</b>			262,329		80,966
Cash and cash equivalents at beginning of year			309,649		228,683
<b>Cash and cash equivalents at end of year</b>			<hr/> <hr/>		<hr/> <hr/>
			571,978		309,649



# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### Company information

Herefordshire Mind is a private company limited by guarantee incorporated in England and Wales. The registered office is Heffernan House, 130-132 Widemarsh Street, Hereford, HR4 9HN.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, 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 in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include freehold property held for resale and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these accounts.

At the date of approval of these accounts, Miller Court has been sold, full support of the key stakeholders of the charity has been invaluable.

This event has given stability and provided more certainty for the charity into the longer term. Accordingly, the Trustees continue to adopt the going concern basis of accounting in preparing these accounts.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

All expenses are accounted for on an accruals basis. Liabilities are recognised when they are incurred.

Costs of generating funds comprise those costs directly attributable to raising funds through activities.

Direct charitable expenditure includes all overhead costs in supporting the direct charitable activities.

Governance costs comprise those costs not already deemed as overhead costs and not associated with achieving the direct charitable activities.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% or 20% on cost, land is not depreciated
Fixtures and fittings	20% on cost
Computers	33.33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the current market value of similar assets are assessed.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Property held for sale

Freehold property held for sale is recorded at the market value at the balance sheet date.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

---

### 1 Accounting policies

(Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

#### 1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

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### **2 Critical accounting estimates and judgements**

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Such estimates include the establishment of an appropriate depreciation policy in respect of tangible fixed assets to ensure book value is compatible with market value. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2021*

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### 3 Donations and legacies

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	25,404	500	52,242	78,146	57,128	25,041	82,169
	=====	=====	=====	=====	=====	=====	=====

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 4 Charitable activities

		2021 £	2020 £
<b>Grants/ contracts with Local Authorities &amp; Statutory Bodies</b>			
Herefordshire Primary Care Trust - Residential Home	279,664	279,664	
Herefordshire Primary Care Trust - Intensive Support	118,692	118,692	
Herefordshire NHS CCG SafeHaven	87,084	24,477	
Community Mental Health Transformation	77,135	-	
		562,575	422,833
<b>Other incoming resources from charitable activities</b>			
Residential and nursing home fees	356,907	331,491	
Housing rents	124,825	58,355	
Contributions from service users	818	1,283	
Miller court fees	63,009	62,042	
Room hire	-	10,641	
		545,559	463,812
		1,108,134	886,645
Analysis by fund			
Unrestricted funds		1,108,134	886,645
		1,108,134	886,645

### 5 Activities for generating funds

	2021 £	2020 £
Fundraising events	17,496	31,401
Domiciliary Care	49,864	74,068
Student placements	-	3,094
Activities for generating funds	67,360	108,563

All unrestricted activities.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	101	263
	<u>101</u>	<u>263</u>

### 7 Other income

	Unrestricted funds	Total
	2021	2020
	£	£
Government grants	11,624	-
Other Covid related grant funding	44,310	-
	<u>55,934</u>	<u>-</u>

### 8 Raising funds

	2021	2020
	£	£
<u>Trading costs</u>		
Other trading activities	703	600
	<u>703</u>	<u>600</u>

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 9 Charitable activities

	Recovery and wellbeing 2021 £	Community Support/ Housing 2021 £	Residential Homes 2021 £	Intensive Support/ CST 2021 £	Total 2021 £	Total 2020 £
Staff and agency costs	110,620	61,826	398,810	150,699	721,955	613,036
Property	1	10,952	50,753	784	62,490	53,835
Catering/ Consumables	-	2	26,775	661	27,438	16,093
Transport	-	-	3,924	-	3,924	8,385
Depreciation/ Other	51,382	14,729	36,321	12,755	115,187	70,440
Herefordshire PCT	-	-	38,366	-	38,366	41,286
	<u>162,003</u>	<u>87,509</u>	<u>554,949</u>	<u>164,899</u>	<u>969,360</u>	<u>803,075</u>
Share of support costs (see note 11)	20,256	10,943	69,418	20,620	121,237	157,651
Share of governance costs (see note 11)	1,099	594	3,766	1,119	6,578	6,200
	<u>183,358</u>	<u>99,046</u>	<u>628,133</u>	<u>186,638</u>	<u>1,097,175</u>	<u>966,926</u>
<b>Analysis by fund</b>						
Unrestricted funds	147,326	99,046	628,133	186,638	1,061,143	948,627
Designated funds	4,729	-	-	-	4,729	1,203
Restricted funds	31,303	-	-	-	31,303	17,096
	<u>183,358</u>	<u>99,046</u>	<u>628,133</u>	<u>186,638</u>	<u>1,097,175</u>	<u>966,926</u>



# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 9 Charitable activities

(Continued)

For the year ended 31 March 2020

	Recovery and wellbeing £	Community Support/ Housing £	Residential Homes £	Intensive Support/ CST £	Total 2020 £
Staff and agency costs	70,667	55,612	398,840	87,917	613,036
Property	-	10,612	42,272	951	53,835
Catering/ Consumables	-	29	15,993	71	16,093
Transport	-	1,451	6,934	-	8,385
Depreciation/ Other	23,375	14,810	30,244	2,011	70,440
Herefordshire PCT	-	-	41,286	-	41,286
	<u>94,042</u>	<u>82,514</u>	<u>535,569</u>	<u>90,950</u>	<u>803,075</u>
Share of support costs (see note 11)	18,609	16,026	105,163	17,854	157,651
Share of governance costs (see note 11)	732	630	4,136	702	6,200
	<u>113,383</u>	<u>99,170</u>	<u>644,868</u>	<u>109,506</u>	<u>966,926</u>
<b>Analysis by fund</b>					
Unrestricted funds	99,244	99,170	640,708	109,506	948,627
Endowment funds - designated	1,203	-	-	-	1,203
Restricted funds	12,936	-	4,160	-	17,096
	<u>113,383</u>	<u>99,170</u>	<u>644,868</u>	<u>109,506</u>	<u>966,926</u>

### 10 Trustees

No trustees received remuneration or expenses in the year.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 11 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	87,467	-	87,467	126,684	-	126,684
Property	4,944	-	4,944	5,067	-	5,067
Administration	28,826	-	28,826	25,900	-	25,900
Audit fees	-	5,114	5,114	-	5,100	5,100
Other governance costs	-	1,464	1,464	-	1,100	1,100
	<u>121,237</u>	<u>6,578</u>	<u>127,815</u>	<u>157,651</u>	<u>6,200</u>	<u>163,851</u>
Analysed between Charitable activities	<u>121,237</u>	<u>6,578</u>	<u>127,815</u>	<u>157,651</u>	<u>6,200</u>	<u>163,851</u>

### 12 Employees

The average monthly number employees during the year was 51 being 9 full time and 42 part time appointments (2020: 47 employees being 8 full time and 39 part time appointments)

Employment costs	2021 £	2020 £
Wages and salaries	707,341	589,179
Social security costs	46,746	36,680
Other pension costs	9,648	8,709
	<u>763,735</u>	<u>634,568</u>

The remuneration of key management personnel is £214,038 (2020 - £163,622).

There were no employees whose annual remuneration was £60,000 or more.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Net gains/(losses) on investments

	2021	2020
	£	£
Revaluation of freehold property held for sale	(275,000)	(825,000)

### 14 Transfers

The transfers made relate to internal recharges or designation of funds as described in the designated funds note.

### 15 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 April 2020	806,144	42,955	69,392	918,491
Additions	-	12,059	7,040	19,099
At 31 March 2021	806,144	55,014	76,432	937,590
<b>Depreciation and impairment</b>				
At 1 April 2020	186,277	42,955	68,270	297,502
Depreciation charged in the year	5,019	1,154	1,389	7,562
At 31 March 2021	191,296	44,109	69,659	305,064
<b>Carrying amount</b>				
At 31 March 2021	614,848	10,905	6,773	632,526
At 31 March 2020	619,867	-	1,122	620,989

### 16 Debtors

	2021	2020
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	20,692	34,370
Other debtors	8,568	5,903
Prepayments and accrued income	13,438	4,440
	42,699	44,713

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 17 Assets held for sale

	2021 £	2020 £
Freehold property held for sale	1,600,000	1,875,000

### 18 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	21	50,000	50,000
Other taxation and social security		17,092	8,450
Deferred income	19	132,270	35,012
Trade creditors		13,941	17,113
Other creditors		3,175	2,716
Accruals		31,313	24,446
		247,791	137,737

### 19 Deferred income

	2021 £	2020 £
Other deferred income	132,270	35,012
Deferred income is included in the financial statements as follows:		
Current liabilities	132,270	35,012
	132,270	35,012

Deferred income represents amounts received in advance of the provision of services contracted and is released in the subsequent accounting period.

### 20 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loan	21	2,023,728	2,073,728

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 21 Loans and overdrafts

	2021 £	2020 £
Bank loans	2,073,728	2,123,728
Payable within one year	50,000	50,000
Payable after one year	2,023,728	2,073,728

The long-term loans are secured by fixed charges over all of the freehold properties held by the Charity.

The long term loans are made up of:

a) Big Issue Invest amounting to £186,582, representing £150,000 capital and £36,582 accumulated interest. No interest was charged in the year. The original terms required interest to be repaid until January 2018, with the remaining period to maturity in March 2024 being repayable as equal monthly capital and interest repayments. Interest being charged at 10.5%. However, these terms were varied such that interest was frozen at 30 June 2018.

b) Big Issue Invest amounting to £100,137, representing £82,721 capital and £17,416 accumulated interest. No interest was charged in the year. The original terms required interest to be repaid until January 2018, with the remaining period to maturity in March 2024 being repayable as equal monthly capital and interest repayments. Interest being charged at 10.5%. However, these terms were varied such that interest was frozen at 30 June 2018 with quarterly capital payments of £1,728 being made.

c) Other loans included from the Big Issue Social Enterprise Investment Fund amount to £1,787,009, representing £1,517,280 capital and £269,729 accumulated interest. No interest was charged in the year. The original terms of the loan were that interest would accrue at 9.75% until it became repayable in April 2017, at which point interest of 9.75% and capital repayments would be made. However, these terms were varied during such that interest was frozen. Quarterly capital payments of £10,722 were made,

In December 2020 the loans were re-negotiated. The terms have been extended for a further two years, with the final payment due on 1 November 2022. Interest continues to be frozen, and quarterly capital repayments have remained the same. It has also been agreed that in the event of achieved sale proceeds of the Miller Court Development being less than the principal capital amounts outstanding, the accumulated interest to date will be waived.

### 22 Retirement benefit schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to the statement of financial activities in respect of defined contribution schemes was £9,648 (2020 - £8,709)

Contributions due to the scheme at the balance sheet date are included in other creditors and amounted to £3,470 (2020 - £1,833).

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£	£	£	£
HQ Hfd Community Fund IT	197,413	-	(1,430)	4,271	-	(670)	3,601
HQ Mind COVID IT	103,572	-	(740)	-	5,000	(4,146)	854
HQ Mind Digital Transformation	32,249	-	(262)	-	500	(500)	-
Heff Mindful Monday	216,468	-	(1,422)	-	400	(400)	-
Shires Residents	1,428	-	(306)	797	-	-	797
Heffernan Screw Fix	899	-	-	-	5,000	(417)	4,583
WR Barrolls	-	-	-	1,122	-	(306)	816
WR Jordan Foundation	-	-	-	899	-	-	899
(Safe Haven) Pears Foundation/ DCMS Emergency Fund	11,316	-	(11,316)	-	8,610	(6,182)	2,428
Miller Court	550	-	(550)	7,978	-	-	7,978
Heff Activities Bulmers	4,319	-	-	-	4,000	-	4,000
Heff Activities CAF Resilience	1,097	50	(350)	-	13,732	(13,732)	-
Housing Corp	-	-	-	102,832	-	(740)	102,092
Original Fund	7,978	-	-	195,983	-	(1,430)	194,553
Ferncroft Property BMA	-	-	-	31,987	-	(262)	31,725
DC HF Property BMA	-	-	-	215,046	-	(1,422)	213,624
Young People	-	-	-	4,319	-	-	4,319
Anon Counselling	-	20,000	-	-	10,000	-	10,000
Schuh Trust Counselling	-	4,991	(720)	-	5,000	-	5,000
Evesons Counselling	-	-	-	20,000	-	(1,096)	18,904
	<u>577,289</u>	<u>25,041</u>	<u>(17,096)</u>	<u>585,234</u>	<u>52,242</u>	<u>(31,303)</u>	<u>606,173</u>

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **23 Restricted funds**

**(Continued)**

The Ferncroft Funds represent grants received specifically for buying and improving the Ferncroft property.

The Big MIND Capital Appeal represents funds raised for the purchase and alteration of Heffernan House and for alterations to Ferncroft.

The Wellbeing & Recovery funds represent funding for the development of day care in the county.

The Wellbeing & Recovery Outreach Project, largely funded by the Jordan Foundation, gives assistance to service users to access and participate in educational and recreational courses.

Young People, funded work with young people and IT upgrade.

Miller court - various grants received for the construction of Miller Court against which the relevant proportion of depreciation will be charged.

Eveson Charitable Trust - Counselling fund, Anon counselling fund and Schuh Trust counselling fund will be used towards the costs of setting up and running a counselling service.

Hereford Community IT Fund will be used to upgrade the IT and communications system.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 24 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers Balance at 31 March 2021
	£	£	£	£
Young People	7,913	-	-	- 7,913
Heffernan Activities	2,522	-	-	- 2,522
Ferncroft	2,044	-	(1,022)	- 1,022
Heffernan/Safe Haven	7,568	500	(3,707)	- 4,361
	<u>20,047</u>	<u>500</u>	<u>(4,729)</u>	<u>- 15,818</u>

	Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers Balance at 31 March 2020
	£	£	£	£
Young People	8,886	-	(973)	- 7,913
Songwriting	230	-	(230)	- -
Heffernan Activities	-	-	-	2,522 2,522
Ferncroft	-	-	-	2,044 2,044
Heffernan/Safe Haven	-	-	-	7,568 7,568
	<u>9,116</u>	<u>-</u>	<u>(1,203)</u>	<u>12,134 20,047</u>

Young People fund is donations designated for work with 18 to 25 year olds.

Songwriting fund was used toward cost of running Mindful Rhythms sessions at Heffernan House.

Heffernan Activity fund will be used towards the cost of running activities at Heffernan House which are not funded from any other grants.

Heffernan/Safe Haven fund will be used to improve the environment at Heffernan House for clients accessing our Safe Haven service and other activities.

Ferncroft fund will be used to improve the property and support the tenants (for example with emergency supplies).



# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 25 Analysis of net assets between funds

	Unrestricted 2021 £	Designated 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Designated 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:								
Tangible assets	52,539	-	579,987	632,526	77,545	-	543,444	620,989
Current assets/(liabilities)	1,924,882	15,817	26,186	1,966,885	2,029,789	20,047	41,790	2,091,626
Long term liabilities	(2,023,728)	-	-	(2,023,728)	(2,073,728)	-	-	(2,073,728)
	<u>(46,307)</u>	<u>15,817</u>	<u>606,173</u>	<u>575,683</u>	<u>33,606</u>	<u>20,047</u>	<u>585,234</u>	<u>638,887</u>

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 26 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	2,187	2,187
Between two and five years	911	3,099
	<u>3,098</u>	<u>5,286</u>

The amount expensed in the year was £2,193 (2020 - £3,549).

### 27 Capital commitments

2021 £	2020 £
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At 31 March 2021 the Charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	7,345	-
	<u>7,345</u>	<u>-</u>

### 28 Events after the reporting date

Miller Court was sold in September 2021 for £1,725,000 and all outstanding debt to Big Issue Invest has been discharged and the charges secured against the assets of Herefordshire Mind have been removed.

# HEREFORDSHIRE MIND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 29 Related party transactions

#### Transactions with related parties

There were no related party transactions during the year.

30 Cash generated from operations	2021 £	2020 £
Deficit for the year	(63,203)	(714,886)
Adjustments for:		
Investment income recognised in statement of financial activities	(101)	(263)
Fair value gains and losses on investment properties	275,000	825,000
Depreciation and loss on disposal of tangible fixed assets	7,562	12,564
Movements in working capital:		
Decrease/(increase) in debtors	2,015	(11,176)
Increase in creditors	12,796	2,197
Increase in deferred income	97,258	17,267
<b>Cash generated from operations</b>	<b>331,327</b>	<b>130,703</b>

### 31 Analysis of changes in net (debt)/funds

	At 1 April 2020 £	Cash flows £	Other non-cash changes £	At 31 March 2021 £
Cash at bank and in hand	309,649	262,329	-	571,978
Loans falling due within one year	(50,000)	50,000	(50,000)	(50,000)
Loans falling due after more than one year	(2,073,728)	-	50,000	(2,023,728)
	<u>(1,814,079)</u>	<u>312,329</u>	<u>-</u>	<u>(1,501,750)</u>