

Charity Registration No. 701260

Company Registration No. 02339094 (England and Wales)

HEREFORDSHIRE MIND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HEREFORDSHIRE MIND

LEGAL AND ADMINISTRATIVE INFORMATION

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

HEREFORDSHIRE MIND

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HEREFORDSHIRE MIND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

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 from our "Shires" care home on Aylestone Hill, Hereford offers a slow stream recovery model for residents with serious and enduring mental health problems. Regrettably this is due to close in December 2022 - see achievements and performance for further detail.

We continue to provide Community Hub Activities, which is the original core service, operating from our hub in Heffernan 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 2022

Achievements and performance

April 2021 – April 2022 Herefordshire Mind has continued to expand within the community of Herefordshire and ensure that we reach out across the county. Covid-19 continues to pose challenges with staffing levels and management of our nursing home; and the Trustees would like to pay tribute to all of our staff, who have continued to work tirelessly, adapting to growing demands ensuring that we maintain continuity of existing services and also build and expand our new initiatives in support of our communities.

We are working to develop our community offer and over the last year have seen demand for services grow. We want to be able to offer open door access to all and a route to ensuring that people can receive mental health support and take steps to manage their own recovery journey with Mind services there to help.

Herefordshire Mind's services across the community now include our Safe Haven service which runs 7 days a week, for people in mental health crisis. Expanding counselling services which are funded through charitable donations including grants from the Schuh Trust and Eveson Trust. We now also deliver a range of peer support services with a specific peer run complex emotional needs service.

Our community support teams continue to work 1-1 with individuals across the county and our Housing In Mind Service, Ferncroft, offers supported accommodation to 9 residents. Weekly activities continue at Heffernan House with our Art groups expanding to four sessions a week and a regular Friday music group. In 2022 we have also expanded groups into the rural area with an 'In to the Woods' activity group.

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.

Over 2022 we have had to make the difficult decision to close our Mental Health Nursing Home, The Shires. We have been running this home for over 20 years but the pressures of infection control and Covid-19 highlighted that the old building of The Shires was no longer fit for purpose and we have been working closely with the NHS and the local authority to manage a planned closure of the home in December 2022. We want to recognise the exceptional work of all those staff involved in this closure and particularly our Registered Manager who has led the staff team and residents through this difficult period. In the words of one of our exiting nurses *'The Shires has always been a special and unique Sanctuary where I have witnessed the best Service given to people in Mental health facilities, and you should all be proud for actually giving meaning to whatgoing the extra mileis.'*

Partnership working is key to delivering successful services within Herefordshire and our work through the Mental Health Transformation project has really helped us develop and build greater partnership working with our Link Worker team sitting as part of the NHS Neighbourhood Mental Health teams. We are also actively involved with the Herefordshire Council Talk Community initiative and the Herefordshire Community Partnership.

As our services change and develop Herefordshire Mind remains committed to serving all those across the county and ensuring that no one has to face a mental health issue alone.

HEREFORDSHIRE MIND

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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 £165,057 (12.6%) 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 and loan interest waived amounted to £174,419.

The lease on Miller Court came to an end in September 2020, and the property was sold in September 2021 for £1,725,000 resulting in a further fair value gain of £175,402 (2021: loss of £275,000) being recognised this year and interest of £224,977 was waived in connection with the loans on the property. This resulted in an overall net movement in funds of a surplus of £574,798 in comparison to a deficit of £63,203 in 2021.

Total reserves as at 31 March 2022 amounted to £1,150,482 (2021: £575,684), which comprised, restricted funds of £557,942, designated funds set aside for future funding purposes of £70,269 and unrestricted funds a surplus of £522,271.

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 approximately £89,500 at 2021/22 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 surplus of £452,070 (2021: deficit of £98,846).

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.

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

Future Plans

As we anticipated last year, Herefordshire Mind is increasingly involved in delivering services in response to the strain that Covid-19 and the pandemic has placed on people's mental health, therefore we had planned for a significant increase in demand and the need to expand our services accordingly. We 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 benefitted from 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 and beyond does not face those issues alone.

HEREFORDSHIRE MIND

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

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-optation 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: 5 December 2022

HEREFORDSHIRE MIND

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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

Opinion

We have audited the financial statements of Herefordshire Mind (the 'Charity') for the year ended 31 March 2022 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 2022 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.

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.

HEREFORDSHIRE MIND

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

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.

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

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.

HEREFORDSHIRE MIND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HEREFORDSHIRE MIND

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members 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

5 December 2022

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 section 1212 of the Companies Act 2006.

HEREFORDSHIRE MIND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

		Unrestricted funds	Designated funds	Restricted funds	Total	Total
		2022	2022	2022	2022	2021
	Notes	£	£	£	£	£
<u>Income and endowments from:</u>						
Donations and legacies	3	34,857	4,500	27,030	66,387	78,146
Charitable activities	4	1,284,623	-	-	1,284,623	1,108,134
Activities for generating funds	5	107,263	-	-	107,263	67,360
Investments	6	71	-	-	71	101
Other income	7	16,388	-	-	16,388	55,934
Total income		1,443,202	4,500	27,030	1,474,732	1,309,675
<u>Expenditure on:</u>						
Raising funds	8	1,393	-	-	1,393	703
Charitable activities	9	1,229,702	1,937	67,281	1,298,920	1,097,175
Loan interest	10	(224,977)	-	-	(224,977)	-
Total resources expended		1,006,118	1,937	67,281	1,075,336	1,097,878
Net gains/(losses) on investments	14	175,402	-	-	175,402	(275,000)
Net incoming/(outgoing) resources before transfers		612,486	2,563	(40,251)	574,798	(63,203)
Gross transfers between funds	15	(43,908)	51,888	(7,980)	-	-
Net income/(expenditure) for the year/ Net movement in funds		568,578	54,451	(48,231)	574,798	(63,203)
Fund balances at 1 April 2021		(46,307)	15,818	606,173	575,684	638,887
Fund balances at 31 March 2022		522,271	70,269	557,942	1,150,482	575,684

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 2022

Prior financial year

		Unrestricted funds	Designated funds	Restricted funds	Total
		2021	2021	2021	2021
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and legacies	3	25,404	500	52,242	78,146
Charitable activities	4	1,108,134	-	-	1,108,134
Activities for generating funds	5	67,360	-	-	67,360
Investments	6	101	-	-	101
Other income	7	55,934	-	-	55,934
Total income		1,256,933	500	52,242	1,309,675
<u>Expenditure on:</u>					
Raising funds	8	703	-	-	703
Charitable activities	9	1,061,143	4,729	31,303	1,097,175
Total resources expended		1,061,846	4,729	31,303	1,097,878
Net gains/(losses) on investments	14	(275,000)	-	-	(275,000)
Net income/(expenditure) for the year/ Net movement in funds		(79,913)	(4,229)	20,939	(63,203)
Fund balances at 1 April 2020		33,606	20,047	585,234	638,887
Fund balances at 31 March 2021		(46,307)	15,818	606,173	575,684

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	16		641,428		632,526
Current assets					
Debtors	17	94,559		42,699	
Property held for sale	18	-		1,600,000	
Cash at bank and in hand		594,028		571,978	
		<u>688,587</u>		<u>2,214,677</u>	
Creditors: amounts falling due within one year	19	<u>(179,533)</u>		<u>(247,791)</u>	
Net current assets			509,054		1,966,886
Total assets less current liabilities			1,150,482		2,599,412
Creditors: amounts falling due after more than one year	20		-		(2,023,728)
Net assets			<u>1,150,482</u>		<u>575,684</u>
Income funds					
Restricted funds	24		557,942		606,173
Designated funds	25		70,269		15,818
Unrestricted funds			522,271		(46,307)
			<u>1,150,482</u>		<u>575,684</u>

HEREFORDSHIRE MIND

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022


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 2022, 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 5 December 2022



Mr M Waller
Trustee (Director)

Company Registration No. 02339094

HEREFORDSHIRE MIND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	30		125,058		331,327
Investing activities					
Purchase of tangible fixed assets		(29,730)		(19,099)	
Proceeds on disposal of investment property		1,676,651		-	
Interest received		71		101	
Net cash generated from/(used in) investing activities			1,646,992		(18,998)
Financing activities					
Repayment of bank loans		(1,750,000)		(50,000)	
Net cash used in financing activities			(1,750,000)		(50,000)
Net increase in cash and cash equivalents			22,050		262,329
Cash and cash equivalents at beginning of year			571,978		309,649
Cash and cash equivalents at end of year			594,028		571,978

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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.

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.

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.

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 the statement of financial activities.

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.

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.

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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 2022

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 2022

3 Donations and legacies

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
	2022	2022	2022	2022	2021	2021	2021	2021
	£	£	£	£	£	£	£	£
Donations and gifts	34,857	4,500	27,030	66,387	25,404	500	52,242	78,146

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

		2022 £	2021 £
Grants/ contracts with Local Authorities & Statutory Bodies			
Herefordshire Primary Care Trust - Residential Home	299,744	279,664	
Herefordshire Primary Care Trust - Intensive Support	89,242	118,692	
Herefordshire NHS CCG SafeHaven	154,218	87,084	
Peer Support	242,454	77,135	
		<u>785,658</u>	<u>562,575</u>
Other incoming resources from charitable activities			
Residential and nursing home fees	345,358	356,907	
Housing rents	130,148	124,825	
Contributions from service users	4,153	818	
Miller court fees	18,608	63,009	
Room hire	698	-	
		<u>498,965</u>	<u>545,559</u>
		<u>1,284,623</u>	<u>1,108,134</u>
Analysis by fund			
Unrestricted funds		<u>1,284,623</u>	<u>1,108,134</u>
		<u>1,284,623</u>	<u>1,108,134</u>

5 Activities for generating funds

	2022 £	2021 £
Fundraising events	32,864	17,496
Domiciliary Care	74,399	49,864
Activities for generating funds	<u>107,263</u>	<u>67,360</u>

All unrestricted activities.

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	71	101

7 Other income

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Government grants	16,388	11,624
Other Covid related grant funding	-	44,310
	16,388	55,934

8 Raising funds

	2022 £	2021 £
<u>Trading costs</u>		
Other trading activities	1,393	703
	1,393	703

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Charitable activities

	Note	Recovery and wellbeing 2022 £	Community Support/Housing 2022 £	Residential Homes 2022 £	Intensive Support/CST 2022 £	Total 2022 £	Total 2021 £
Staff and agency costs		276,721	65,575	408,401	145,120	895,817	721,955
Property		1	8,295	52,459	487	61,242	62,490
Catering/ Consumables		-	4	22,058	511	22,573	27,438
Transport		460	-	5,029	-	5,489	3,924
Depreciation/ Other		54,038	17,394	21,844	17,979	111,255	115,187
Herefordshire PCT		-	-	41,584	-	41,584	38,366
Loan interest	10	-	-	(224,977)	-	(224,977)	-
		<u>331,220</u>	<u>91,268</u>	<u>326,398</u>	<u>164,097</u>	<u>912,983</u>	<u>969,360</u>
Share of support costs (see note 12)		49,944	17,398	54,207	31,282	152,831	121,237
Share of governance costs (see note 12)		2,656	925	2,883	1,665	8,129	6,578
		<u>383,820</u>	<u>109,591</u>	<u>383,488</u>	<u>197,044</u>	<u>1,073,943</u>	<u>1,097,175</u>
Analysis by fund							
Unrestricted funds		314,602	109,591	383,488	197,044	1,004,725	1,061,143
Designated funds		1,937	-	-	-	1,937	4,729
Restricted funds		67,281	-	-	-	67,281	31,303
		<u>383,820</u>	<u>109,591</u>	<u>383,488</u>	<u>197,044</u>	<u>1,073,943</u>	<u>1,097,175</u>

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Charitable activities

(Continued)

For the year ended 31 March 2021

	Recovery and wellbeing £	Community Support/ Housing £	Residential Homes £	Intensive Support/ CST £	Total 2021 £
Staff and agency costs	110,620	61,826	398,810	150,699	721,955
Property	1	10,952	50,753	784	62,490
Catering/ Consumables	-	2	26,775	661	27,438
Transport	-	-	3,924	-	3,924
Depreciation/ Other	51,382	14,729	36,321	12,755	115,187
Herefordshire PCT	-	-	38,366	-	38,366
	162,003	87,509	554,949	164,899	969,360
Share of support costs (see note 12)	20,256	10,943	69,418	20,620	121,237
Share of governance costs (see note 12)	1,099	594	3,766	1,119	6,578
	183,358	99,046	628,133	186,638	1,097,175
Analysis by fund					
Unrestricted funds	147,326	99,046	628,133	186,638	1,061,143
Endowment funds - designated	4,729	-	-	-	4,729
Restricted funds	31,303	-	-	-	31,303
	183,358	99,046	628,133	186,638	1,097,175

10 Loan interest

In accordance with an agreement made with the lenders in December 2020, the proceeds on the sale of Miller Court satisfied the capital outstanding to the lenders at the point of sale such that under the revised terms of the agreement the interest that had accumulated was waived.

11 Trustees

No trustees received remuneration or expenses in the year.

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Support costs

	Support costs	Governance costs	2022 Support costs	Governance costs	2021
	£	£	£	£	£
Staff costs	106,688	-	106,688	87,467	87,467
Property	12,274	-	12,274	4,944	4,944
Administration	33,869	-	33,869	28,826	28,826
Audit fees	-	5,100	5,100	-	5,114
Other governance costs	-	3,029	3,029	-	1,464
	<u>152,831</u>	<u>8,129</u>	<u>160,960</u>	<u>121,237</u>	<u>127,815</u>
Analysed between					
Charitable activities	<u>152,831</u>	<u>8,129</u>	<u>160,960</u>	<u>121,237</u>	<u>127,815</u>

13 Employees

The average monthly number employees during the year was 60 being 10 full time and 50 part time appointments (2021: 51 employees being 9 full time and 42 part time appointments)

Employment costs	2022 £	2021 £
Wages and salaries	904,486	707,341
Social security costs	55,940	46,746
Other pension costs	12,275	9,648
	<u>972,701</u>	<u>763,735</u>

The remuneration of key management personnel is £193,449 (2021: £214,038).

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 2022

14 Net gains/(losses) on investments

	2022	2021
	£	£
Reversal of impairment on sale (2021 - Revaluation of freehold property held for sale)	175,402	(275,000)

15 Transfers

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

16 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 April 2021	806,144	55,014	76,432	937,590
Additions	-	29,730	-	29,730
Disposals	-	-	(32,189)	(32,189)
At 31 March 2022	806,144	84,744	44,243	935,131
Depreciation and impairment				
At 1 April 2021	191,296	44,109	69,659	305,064
Depreciation charged in the year	4,394	12,013	4,421	20,828
Eliminated in respect of disposals	-	-	(32,189)	(32,189)
At 31 March 2022	195,690	56,122	41,891	293,703
Carrying amount				
At 31 March 2022	610,454	28,622	2,352	641,428
At 31 March 2021	614,848	10,905	6,773	632,526

17 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	83,763	20,693
Other debtors	4,439	8,568
Prepayments and accrued income	6,357	13,438
	94,559	42,699

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Assets held for sale

	2022 £	2021 £
Freehold property held for sale	-	1,600,000

19 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans	21	-	50,000
Other taxation and social security		20,192	17,092
Deferred income	22	109,997	132,270
Trade creditors		14,689	13,941
Other creditors		2,920	3,175
Accruals		31,735	31,313
		179,533	247,791

20 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loan	21	-	2,023,728

21 Loans and overdrafts

	2022 £	2021 £
Bank loans	-	2,073,728
Payable within one year	-	50,000
Payable after one year	-	2,023,728

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

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21 Loans and overdrafts

(Continued)

At 31 March 2021 the long term loans were 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 were extended for a further two years, with the final payment due on 1 November 2022. Interest continued to be frozen, and quarterly capital repayments remained the same. It was also 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 would be waived.

A sale of the property was achieved in September 2021 and the above liabilities extinguished as agreed.

22 Deferred income

	2022 £	2021 £
Other deferred income	109,997	132,270
	<u> </u>	<u> </u>
Deferred income is included in the financial statements as follows:		
Current liabilities	109,997	132,270
	<u> </u>	<u> </u>
	109,997	132,270
	<u> </u>	<u> </u>

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

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 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 £12,275 (2021: £9,648)

Contributions due to the scheme at the balance sheet date are included in creditors and amounted to £3,034 (2021: £3,470).

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 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:

	Balance at 1 April 2020 £	Movement in funds		Balance at 1 April 2021 £	Movement in funds		Transfers	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	£	
HQ Hfd Community Fund IT	4,271	-	(670)	3,601	-	(3,601)	-	-
HQ Mind COVID IT	-	5,000	(4,146)	854	-	(633)	-	221
HQ Mind Digital Transformation	-	500	(500)	-	3,000	-	-	3,000
Heff Mindful Monday	-	400	(400)	-	-	-	-	-
Shires Residents	797	-	-	797	-	(500)	-	297
Heffernan Screw Fix	-	5,000	(417)	4,583	-	(1,000)	-	3,583
WR Barrolls	1,122	-	(306)	816	-	(306)	-	510
WR Jordan Foundation	899	-	-	899	-	(899)	-	-
(Safe Haven) Pears Foundation/ DCMS Emergency Fund	-	8,610	(6,182)	2,428	-	(2,428)	-	-
Miller Court	7,978	-	-	7,978	-	-	(7,978)	-
Heff Activities Bulmers	-	4,000	-	4,000	-	(4,000)	-	-
Heff Activities CAF Resilience	-	13,732	(13,732)	-	-	-	-	-
Housing Corp	102,832	-	(740)	102,092	-	(740)	-	101,352
Original Fund	195,983	-	(1,430)	194,553	-	(1,430)	-	193,123
Ferncroft Property BMA	31,987	-	(262)	31,725	-	(262)	-	31,463
DC HF Property BMA	215,046	-	(1,422)	213,624	-	(1,422)	-	212,202
Young People	4,319	-	-	4,319	-	(4,317)	(2)	-
Anon Counselling	-	10,000	-	10,000	-	(5,877)	-	4,123
Schuh Trust Counselling	-	5,000	-	5,000	-	(5,000)	-	-
Evesons Counselling	20,000	-	(1,096)	18,904	-	(18,904)	-	-
C/Fwd	585,234	52,242	(31,303)	606,173	3,000	(51,319)	(7,980)	549,874

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 Restricted funds

	Balance at 1 April 2020 £	Movement in funds		Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Movement in funds		Balance at 31 March 2022 £
		Incoming resources £	Resources expended £				Resources expended £	Transfers £	
B/Fwd	585,234	52,242	(31,303)	606,173	3,000	(51,319)	(7,980)		549,874
Active HW	-	-	-	-	3,655	(587)	-		3,068
Alan Brailsford	-	-	-	-	5,000	-	-		5,000
Shires - Infection Control	-	-	-	-	8,881	(8,881)	-		-
Shires - COVID Testing	-	-	-	-	6,494	(6,494)	-		-
	585,234	52,242	(31,303)	606,173	27,030	(67,281)	(7,980)		557,942

(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 2022

25 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 2021	Incoming resources	Resources expended	Transfers	Balance at 31 March 2022
	£	£	£	£	£
Young People	7,913	-	-	(7,913)	-
Heffernan Activities	2,522	-	(1,937)	5,888	6,473
Ferncroft	1,022	-	-	20,000	21,022
Heffernan/Safe Haven	4,361	4,500	-	10,000	18,861
Shires Property	-	-	-	16,000	16,000
Organisation Training	-	-	-	7,913	7,913
	<u>15,818</u>	<u>4,500</u>	<u>(1,937)</u>	<u>51,888</u>	<u>70,269</u>

	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>-</u>	<u>15,818</u>

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

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

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

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

Shires Property - funds set aside for the closure of the Shires.

Organisation Training - Young People funds re-designated for training.

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

26 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented

by:

	Unrestricted 2022 £	Designated 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Designated 2021 £	Restricted 2021 £	Total 2021 £
Tangible assets	70,201	-	571,227	641,428	52,539	-	579,987	632,526
Current assets/(liabilities)	452,070	70,269	(13,285)	509,054	1,924,882	15,818	26,186	1,966,886
Long term liabilities	-	-	-	-	(2,023,728)	-	-	(2,023,728)
	522,271	70,269	557,942	1,150,482	(46,307)	15,818	606,173	575,684

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

27 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:

	2022 £	2021 £
Within one year	2,181	2,187
Between two and five years	-	911
	<u>2,181</u>	<u>3,098</u>

The amount expensed in the year was £2,187 (2021: £2,193).

28 Capital commitments

At 31 March 2022 the Charity had capital commitments as follows:

	2022 £	2021 £
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	7,345
	<u>-</u>	<u>7,345</u>

HEREFORDSHIRE MIND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

29 Related party transactions

Transactions with related parties

There were no related party transactions during the year.

30 Cash generated from operations	2022 £	2021 £
Surplus/(deficit) for the year	574,798	(63,203)
Adjustments for:		
Investment income recognised in statement of financial activities	(71)	(101)
Interest waived	(224,977)	-
Fair value gains and losses on investment properties	(175,402)	275,000
Depreciation and loss on disposal of tangible fixed assets	20,828	7,562
Movements in working capital:		
(Increase)/decrease in debtors	(51,860)	2,015
Increase in creditors	4,015	12,796
(Decrease)/increase in deferred income	(22,273)	97,258
Cash generated from operations	125,058	331,327

31 Analysis of changes in net funds/(debt)

	At 1 April 2021 £	Cash flows £	Other non-cash changes £	At 31 March 2022 £
Cash at bank and in hand	571,978	22,050	-	594,028
Loans falling due within one year	(50,000)	50,000	-	-
Loans falling due after more than one year	(2,023,728)	1,700,000	323,728	-
	<u>(1,501,750)</u>	<u>1,772,050</u>	<u>323,728</u>	<u>594,028</u>