

REGISTERED COMPANY NUMBER: 05861345 (England and Wales)
REGISTERED CHARITY NUMBER: 1116301

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 30 SEPTEMBER 2015
FOR
HAVANT AND EAST HANTS MIND**

HAVANT AND EAST HANTS MIND

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FOR THE YEAR ENDED 30 SEPTEMBER 2015**

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HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05861345 (England and Wales)

Registered Charity number

1116301

Registered office

Leigh Park Community Centre
Dunsbury Way
Havant
Hampshire
PO9 5BG

Trustees

D Childs Hopkins
J Storry
J Owens
C Britt
J Clunes - resigned 06/03/15
G Travers
L Underdown - resigned 15/05/15
S Southwell
S Charnock
B Ayres

Chief Executive

J Parker

Company Secretary

J Parker

Independent examiner

P Underwood, FCCA
ICAEW
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Bankers

Natwest Bank
23 West Street
Havant
Hampshire
PO9 1EU

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation was an unincorporated association registered as a charity on 24th September 1992 under a charitable constitution. A new Charitable Company limited by guarantee was incorporated on the 26th June 2006 and registered as a charity on 7th October 2006. The company was established under a Memorandum and Articles of Association with the same area of benefit as the unincorporated association.

The charitable company started to operate on the 1st October 2006 at which point all assets were transferred from the unincorporated association to the charitable company and the charitable association has been dissolved. In the event of the company being wound up members are required to contribute an amount not exceeding £1 per member. The guidance of the Charity Commission was followed throughout this process.

The Trustee Directors of Havant and East Hants Mind are legally responsible for the overall management, control and strategic direction of Havant and East Hants Mind. They meet monthly and there are several sub groups that meet, in addition to this, to work on identified areas such as fundraising and personnel.

The chief executive is employed to carry out operational activities and organisational management and is in attendance at each committee meeting to report back all activities.

Havant and East Hants Mind is a local charity and is affiliated to the national charity Mind (National Association for Mental Health). It consistently works in a way that promotes and upholds the values of Mind (National Association for Mental Health) whilst maintaining its own autonomy, allowing it to respond to local needs. Havant and East Hants Mind has strong links with Mind (National Association for Mental Health) attends regular meetings and undertakes training and supporting campaigns at both local and national levels.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purpose of Charity Law.

Under the provision of the Memorandum and Articles of Association trustee directors are elected to serve for a period of three years, after which they may stand for re-election at the next Annual General Meeting.

Prospective trustees are encouraged to attend board meetings as observers prior to standing for election.

Havant and East Hants Mind is committed to ensuring a diversity of trustee directors and include those with personal experience of mental distress either directly or indirectly.

Trustees are encouraged to become familiar with the practical work of the organisation in order to gain insight and be better placed to serve as trustee directors.

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The executive committee is responsible for the management of risks faced by Havant and East Hants Mind. Risks are identified and assessed and controls established throughout the year.

Service contracts which the charity has with Hampshire County Council specify standards in all areas of work and the standards are met across all the work of the agency. They are designed to minimise risks and provide a safe and professional service to clients and a safe working environment for staff and volunteers.

Mind has its own quality standards (Quality Management in Mind) in which Local Mind Associations (LMAs) can assess the quality of the services they provide and the work that they do. It describes the best practice for LMAs. It is also a tool to facilitate learning and development within the LMAs.

Havant and East Hants Mind is committed to quality and fully supports and participates in Quality Management in Mind. It also holds the Community Legal Service Quality Mark.

External risks to funding continue to be monitored by the executive committee and by management. Its strategic plan aims to broaden its funding base, explore social enterprise and prepare for personalisation. It will continue to seek out opportunities to work in partnership with other Local Mind Associations.

Key controls used are:

- Formal agendas for all committee activities
- Detailed and regular budget monitoring reports
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Maintain reserves in line with policies and requirement
- Maintain compliance with Mind's quality standards
- Formal written policies reviewed a minimum of every three years at a minimum
- Vetting procedures as required by the law for the protection of the vulnerable.

OBJECTIVES AND ACTIVITIES

Objectives and aims

In line with Mind (National Association for Mental Health) Havant and East Hants Mind works to create a better life for everyone with experience of mental distress by:

- Advancing the views, needs and ambitions of people with mental distress
- Challenging discrimination and promoting inclusion
- Influencing policy through campaigning and education
- Inspiring the development of quality services which reflect expressed needs and diversity
- Achieving equal rights through campaigning and education.

In all its work the Charity promotes its values: Informed, determined, diversity, integrity and partnership

To achieve these aims Havant and East Hants Mind:

- Promote mental Wellbeing within the community
- Works in partnership with other organisations
- Values diversity
- Works with mental health service users to promote recovery and to increase their influence over their own lives
- Challenge discrimination and promotes social inclusion
- Campaigns and raises funds
- Involves service users in all aspects of our work
- Focuses on quality in service provision

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

OBJECTIVES AND ACTIVITIES

Significant activities

Havant and East Hants Mind provides the following core services to promote recovery and wellbeing.

Wellbeing Services

This service aims to promote and support mental wellbeing, promote recovery and is open to anyone over 18 who lives in the Havant or East Hants locality. It includes a range of services and activities to promote mental wellbeing, recovery and resilience. These services include;

Advice and information - advice and information on rights, services and support available for people with mental health problems. This includes debt and welfare benefit advice, information on entitlement to benefits. Information on rights to services and housing and any other issues that affects mental health.

Symptom management - self-help and structured group to support recovery and maintain wellbeing.

Peer support café and Activity groups - Peer support cafés are drop in resources to enable people to make contact and find out about our services from people who have used the services. Activity groups encourage self-confidence, independence and social inclusion and promote general wellbeing. They help to promote friendships and widen social circles.

One to One work - helping people to meet their recovery goals including Wellness Recovery Action Plans (WRAP).

Recovery Courses - courses that teach skills and tools for self-management - encouraging and supporting recovery.

Service user empowerment - supporting service users to play an active role in service planning, delivery and evaluation. Service users are included and actively encouraged to play a role at every level of the organisation.

Peer support - supporting service users to support their peers in their recovery.

Training and education - training and public awareness for the general public as well as specifically designed training for other agencies and organisations.

Advocacy

We currently provide a range of Advocacy services which are;
Community mental health advocacy
Independent Mental Health Advocacy (IMHA)
Independent Mental Capacity Act Advocacy (IMCA) (IMCA DoLS)
IMCA DoLS Paid Representative

Counselling Service

Counselling and psychotherapy are umbrella terms that cover a range of talking therapies. They are delivered by trained practitioners who work with people over a short or long term to help them bring about effective change or enhance their wellbeing. Currently we provided counselling on Mondays and Tuesdays.

REVIEW OF PUBLIC BENEFIT

In line with the Charities Act 2011 and subsequent guidance from the Charity Commission, the Trustees have considered how Havant and East Hants Mind satisfies the public benefit "principles" set out in the Act. The trustees consider that it satisfies at least 7 Charitable purposes: the prevention or relief of poverty; the advancement of education; the advancement of health or the saving of lives; the advancement of citizenship or community development; the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity; the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage; the promotion of the efficiency of the police. In addition the trustees consider that there are clearly identifiable benefits that arise from its aims, and that no detriment or harm arises (Principle 1); and that significant sectors of the public benefit directly and indirectly from its aims, and that there are no undue restrictions on access to its services (Principle 2).

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

OBJECTIVES AND ACTIVITIES

Significant activities

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

ACHIEVEMENT AND PERFORMANCE

Chair of Trustees Introduction

Once again it is my pleasure as chair of the trustees to report on another successful year. We have managed to build upon our firm foundation and along with our services users continued to develop and improve the services that we provide.

Wellbeing

We have firmly embraced the recovery model and ensure that all of our services keep recovery at the centre of their plans, encouraging and inspiring all our service users believe in their ability to achieve a better quality of life. By developing a whole person assessment we look at all areas of someone's life, identifying strengths as well as areas of need.

As part of this we promote the five ways of Wellbeing which are

- **Connect - join a group- start a conversation - don't be alone**We provide a range of groups where people can gain peer support. Finding out that other people have similar problems and hearing what has been helpful to them can reduce isolation and provide ideas for their own recovery plans
- **Be active - visit the leisure centre - go for a walk - ride a bike - keep moving**We provide a range of groups where people can gain peer support. Finding out that other people have similar problems and hearing what has been helpful to them can reduce isolation and provide ideas for their own recovery plans
- **Take note - notice what's going on around you - try Mindfulness - reflect**We hold Mindfulness groups every week which can help you to relax and concentrate on the here and now. Raising awareness of the moment or reflecting upon an object is a useful tool for managing stress and anxiety.
- **Keep learning - sign up for a course - join the library - read - question** Keeping an active mind is another essential - we provide courses in symptom management, learning to cope puts you in control. We can also help you to identify a course that could improve your employment prospects or that would give you personal satisfaction.
- **Give - help a neighbour or friend - volunteer** Giving something back increases our self-esteem and our mental wellbeing. Providing peer support for someone new to our service is an essential part of recovery. Consider volunteering- we can help you identify what would be right for you.

Advocacy

We have continued to provide a service to Hampshire County Council and for a number of other local authorities who have clients placed within our locality. Under the strong leadership of our Advocacy manager Lynne Corrieri we have built upon our highly competent team by a commitment to training and undertaking the qualifications in the various specialities. Our staff team deliver the statutory advocacy across East Hants, Havant, Fareham and Gosport. The team also have responsibility for training and supporting the volunteers who undertake most of the community advocacy.

Moving Forward

We are very aware that we cannot 'sit on our laurels' and have identified our priorities for the coming year to enable us continue to improve our range and quality of services

Priorities for the coming year are to:

- To continue to invest in business development to enable us to tender for our current services and other commissioning opportunities in line with our vision and funding strategy.
- Seek further diverse funding sources by building partnerships and specialisms which would be beneficial to our clients and prospective clients.
- Identify gaps and continue to improve and develop our service model.

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

ACHIEVEMENT AND PERFORMANCE

- Identify innovative ways of working
- Continue to strengthen our governance
- Raise our public profile
- Continue to strengthen our service user voice and to encourage involvement in all levels of governance and delivery.

The trustee / directors would like to acknowledge the hard work of all those involved in the project these include;

- The paid staff and the many volunteers, without whom the Charity could not function, and who support the provision of many of our services as well as the day to day running of the service.
- The social work students who play a major role in service provision.
- The trustees, who have given their time and expertise to provide governance.
- Our colleagues from many other agencies that provide help and co-operation throughout the year.
- In particular the Charity would like to thank service users who have directed its work, informed and challenged the Charity to think wider and broader than before.

The Charity remains committed to work for better mental health within its community and to support those who need its help.

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

FINANCIAL REVIEW

Financial performance

Wellbeing and Advocacy services have continued to provide strong income streams during 2014/15. The strong income performance has also benefited from Paid Representative and Business Development services together with the receipt of a substantial legacy. A rigorous control of resources and expenses without impacting the quality of services has ensured a successful year.

Reserves policy

Like other charities, Havant & East Hants Mind is aware of the need to secure its viability beyond the immediate future. For the long term it must be able to absorb setbacks and to take advantage of change and opportunity. Because some believe that holding significant amounts of reserves is tantamount to hoarding it is necessary to justify and explain its reserves position. Donors are entitled to be reassured that a charity with reserves has good reasons for keeping funds in reserve and to know what those reasons are.

The Charity Commission defines reserves as income which becomes available to the charity and is to be expended at the trustee's discretion in furtherance of any of the charity's objects but which is not yet spent, committed or designated. Its definition therefore excludes:

Permanent endowment:	A capital fund where there is no power to convert the capital into income.
Expendable endowment:	A capital fund where the trustees have the power to convert it into income and apply it as such.
Restricted funds:	Funds subject to specific trusts.
Designated funds:	Designation is an administrative act by which trustees may earmark unrestricted funds for a particular use without restricting or committing the funds legally.
Income funds:	Can be realised only by disposing of fixed assets held for charity use.

Havant and East Hants Mind maintains a financial reserve for the following reasons:

1. Havant and East Hants Mind gratefully accepts donations and applies for grants . The Charity also takes advantage of investment income.
2. In line with the Charity Commission's recommendation the trustee consider that, in the event of Havant and East Hants Mind having to be wound up, provision for the continuation of operations for six months must be kept in reserve in order to allow for a proper running down.
3. The trustees consider that provision for redundancy must be kept in reserve.
4. Havant and East Hants Mind rents office space that has poor facilities. The trustees wish to improve the situation and are searching for appropriate accommodation.
5. Provision for the employees of Havant and East Hants Mind is through The Pensions Trust. As at 30 September 2015 the estimated amount of employer debt on withdrawal liability was £21,406. Accordingly , provision is made in the reserves for the estimated amount of employer debt on withdrawal liability as at 30 September 2014. Deficit contributions have been made by the Charity since April 2013.
6. Reviewing the organisational risk register in 2014 HEH Mind Trustees indicated the need for diversification of incomes streams. In a charity with a high percentage turnover represented by local authority contracts, it is healthy to consider boosting grant funding, proactive direct fundraising & to develop potential commercial sources of income. The 2 latter items require quite a significant organisational & culture change and investment in expertise. The R&D resource is part of the required budget to support this organisational change and to help to develop a range of desirable products which can be delivered in line with Minds core purpose. Investment is required when taking these to market, testing their viability, learning the most effective sales mechanisms & in obtaining/securing the skills required to do so. The R&D budget will meet some of this upfront cost which will bring longer term commercial income success - improving HEH Minds sustainability. Research shows R&D has many positive effects even if it does not deliver commercial profit. Economist's cite "keeping up with the frenetic pace of technology" as one of these effects - enabling further competitive advantage and new & better ways of engaging with client groups. This may prove to be important because another area of identified development for Havant and East Hants Mind includes expanding its client base to children/adolescents. Understanding the needs of this new client group and locating the skills required to engage larger numbers and meet their needs will also require R&D budget. Finally both fundraising and commercial sales will require a digital infrastructure for customer/ donor interaction - another costly area which requires R&D budget to secure expertise beyond the organisations existing capacity.

HAVANT AND EAST HANTS MIND
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015

FINANCIAL REVIEW

Reserves can only be generated and maintained by strict financial controls. An overview of the financial situation is reviewed at all Committee meetings and the trustee directors review the reserves policy as and when considered necessary and always annually.

Reserves	30/09/2014	2014/15	30/09/2015
Non Restricted			
General Fund	10,000	10,167	20,167
Statutory Redundancy	52,100	11,185	63,285
Six month operating expenses	151,324	22,000	173,324
Future Accommodation	100,000	30,000	130,000
Pension Provision	17,839	3,567	21,406
Research & Development	10,000	20,000	30,000
Sub Total	341,263	96,919	438,182
Restricted			
Men's Sheds	2,450	9,500	11,950
Blue lamp Trust	-	1,450	1,450
Minor Aid	-	1,500	1,500
Sub Total	2,450	12,450	14,900
Total	343,713	109,369	453,082

Approved by order of the board of trustees on 12 April 2016 and signed on its behalf by:

D Childs Hopkins - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HAVANT AND EAST HANTS MIND

I report on the accounts for the year ended 30 September 2015 set out on pages ten to twenty one.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P Underwood, FCCA
ICAEW
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

14 April 2016

HAVANT AND EAST HANTS MIND

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	33,002	-	33,002	1,129
Activities for generating funds	3	9,160	-	9,160	11,840
Investment income	4	578	-	578	1,627
Incoming resources from charitable activities					
Advocacy	5	184,710	-	184,710	112,391
Wellbeing		215,505	9,500	225,005	225,005
Business Development		750	2,950	3,700	-
Total incoming resources		<u>443,705</u>	<u>12,450</u>	<u>456,155</u>	<u>351,992</u>
RESOURCES EXPENDED					
Charitable activities					
Advocacy	6	132,994	-	132,994	87,894
Wellbeing		193,476	-	193,476	226,196
Business Development		18,206	-	18,206	-
Governance costs	9	<u>2,110</u>	<u>-</u>	<u>2,110</u>	<u>1,980</u>
Total resources expended		<u>346,786</u>	<u>-</u>	<u>346,786</u>	<u>316,070</u>
NET INCOME FOR THE YEAR		<u>96,919</u>	<u>12,450</u>	<u>109,369</u>	<u>35,922</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>341,263</u>	<u>2,450</u>	<u>343,713</u>	<u>307,791</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>438,182</u></u>	<u><u>14,900</u></u>	<u><u>453,082</u></u>	<u><u>343,713</u></u>

The notes form part of these financial statements

HAVANT AND EAST HANTS MIND

**BALANCE SHEET
AT 30 SEPTEMBER 2015**

	Notes	2015 £	2014 £
FIXED ASSETS			
Tangible assets	13	4,554	3,632
CURRENT ASSETS			
Debtors	14	96,646	58,620
Cash at bank and in hand		421,457	320,840
		<u>518,103</u>	<u>379,460</u>
CREDITORS			
Amounts falling due within one year	15	(69,575)	(39,379)
NET CURRENT ASSETS		<u>448,528</u>	<u>340,081</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		453,082	343,713
NET ASSETS		<u>453,082</u>	<u>343,713</u>
FUNDS	17		
Unrestricted funds		438,182	341,263
Restricted funds		14,900	2,450
TOTAL FUNDS		<u>453,082</u>	<u>343,713</u>

The notes form part of these financial statements

HAVANT AND EAST HANTS MIND

**BALANCE SHEET - CONTINUED
AT 30 SEPTEMBER 2015**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2015 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 12 April 2016 and were signed on its behalf by:

D Childs Hopkins -Trustee

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activity when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of service provided by volunteers has not been included in these financial statements.

Investment income is included when receivable.

Income is deferred when the donor attaches conditions outside the charity's own control or specifies that the resources are to be used in a future accounting period.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to complying with financial reporting requirements, legal fees and trustee meeting expenses together with an apportionment of overhead and support costs.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the statement of financial activity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Tangible fixed assets

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

Plant and machinery - at varying rates on cost

Individual fixed assets costing £100 or more are capitalised at cost.

Taxation

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

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

The charitable company operates a defined benefit scheme within a multi-employer fund administered by The Pensions Trust. The pension costs charged to the Statement of Financial Activities represent the contributions payable by the charitable company during the year in accordance with FRS17.

2. VOLUNTARY INCOME

	2015 £	2014 £
Donations	2,379	1,102
Legacies	30,623	-
Subscriptions	-	27
	<u>33,002</u>	<u>1,129</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2015 £	2014 £
Student placements	<u>9,160</u>	<u>11,840</u>

4. INVESTMENT INCOME

	2015 £	2014 £
Deposit account interest	<u>578</u>	<u>1,627</u>

All investment income is derived from assets held in the United Kingdom.

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2015 £	2014 £
Hampshire Primary Care Trust		
Activity		
Advocacy	-	619
Solent Mind	184,710	111,772
Solent Mind	215,505	215,505
Grants	9,500	9,500
Grants	3,700	-
	<u>413,415</u>	<u>337,396</u>

HAVANT AND EAST HANTS MIND

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2015 £	2014 £
Mind	750	-
Havant Borough Council - Men's Sheds	9,500	9,500
Blue Lamp Trust	1,450	-
Minor Aid	1,500	-
	<u>13,200</u>	<u>9,500</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7) £	Support costs (See note 8) £	Totals £
Advocacy	127,375	5,619	132,994
Wellbeing	185,184	8,292	193,476
Business Development	18,065	141	18,206
	<u>330,624</u>	<u>14,052</u>	<u>344,676</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2015 £	2014 £
Staff costs	271,463	234,477
Insurance	963	493
Telephone	6,535	5,805
Postage and stationery	9,945	7,456
Club activities and sundry expenses	4,551	3,493
Rent	10,298	16,818
Travel and subsistence	16,468	15,060
Refreshments	2,159	1,864
Training	3,174	6,054
Wellbeing and art fees	2,746	3,725
Electricity	61	-
Repairs	919	-
Depreciation	1,342	2,053
	<u>330,624</u>	<u>297,298</u>

8. SUPPORT COSTS

	Management £	Finance £	Totals £
Advocacy	5,572	47	5,619
Wellbeing	8,222	70	8,292
Business Development	140	1	141
	<u>13,934</u>	<u>118</u>	<u>14,052</u>

Activity	Basis of allocation
Management	Time apportioned
Finance	Time apportioned

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015

8. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

Management

	Advocacy £	Wellbeing £	Business Development £	2015 Total activities £	2014 Total activities £
Insurance	890	1,313	22	2,225	3,243
Sundries	110	162	3	275	178
Rent	3,997	5,897	100	9,994	6,800
Subscriptions	271	401	7	679	603
Refreshments	-	-	-	-	695
IT expenses	304	449	8	761	5,143
	<u>5,572</u>	<u>8,222</u>	<u>140</u>	<u>13,934</u>	<u>16,662</u>

Finance

	Advocacy £	Wellbeing £	Business Development £	2015 Total activities £	2014 Total activities £
Bank charges	47	70	1	118	130
	<u>47</u>	<u>70</u>	<u>1</u>	<u>118</u>	<u>130</u>

9. GOVERNANCE COSTS

	2015 £	2014 £
Independent examiner's fee	<u>2,110</u>	<u>1,980</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2015 £	2014 £
Depreciation - owned assets	1,341	2,053
Independent examiner's fee	<u>2,110</u>	<u>1,980</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

During the year no trustee director (2014: None) received remuneration (2014: £nil) for counselling services. No other benefits were received in either year.

Trustees' expenses

Three trustee directors (2014: One) received reimbursement of expenses for subscriptions, travelling and office costs totalling £719 (2014: £571).

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015

12. STAFF COSTS

	2015 £	2014 £
Wages and salaries	254,420	214,819
Social security costs	13,126	16,019
Other pension costs	3,917	3,639
	<u>271,463</u>	<u>234,477</u>

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

	2015	2014
Charitable activities	12	8
Support costs	1	1
	<u>13</u>	<u>9</u>

No employees received emoluments in excess of £60,000.

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 October 2014	8,946	1,719	10,665
Additions	1,811	452	2,263
	<u>10,757</u>	<u>2,171</u>	<u>12,928</u>
DEPRECIATION			
At 1 October 2014	5,678	1,355	7,033
Charge for year	1,232	109	1,341
	<u>6,910</u>	<u>1,464</u>	<u>8,374</u>
NET BOOK VALUE			
At 30 September 2015	<u>3,847</u>	<u>707</u>	<u>4,554</u>
At 30 September 2014	<u>3,268</u>	<u>364</u>	<u>3,632</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	86,657	56,212
Other debtors	9,989	2,408
	<u>96,646</u>	<u>58,620</u>

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	60,664	33,742
Accrued expenses	8,911	5,637
	<u>69,575</u>	<u>39,379</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Fixed assets	4,554	-	4,554	3,632
Current assets	503,203	14,900	518,103	379,460
Current liabilities	(69,575)	-	(69,575)	(39,379)
	<u>438,182</u>	<u>14,900</u>	<u>453,082</u>	<u>343,713</u>

17. MOVEMENT IN FUNDS

	At 1.10.14 £	Net movement in funds £	Transfers between funds £	At 30.9.15 £
Unrestricted funds				
General fund	10,000	96,919	(86,752)	20,167
Statutory redundancy	52,100	-	11,185	63,285
Six month's operating expenses	151,324	-	22,000	173,324
Future accommodation	100,000	-	30,000	130,000
Pension provision	17,839	-	3,567	21,406
Research and development	10,000	-	20,000	30,000
	<u>341,263</u>	<u>96,919</u>	-	<u>438,182</u>
Restricted funds				
Men's Sheds	2,450	9,500	-	11,950
Blue Lamp Trust	-	1,450	-	1,450
Minor Aid	-	1,500	-	1,500
	<u>2,450</u>	<u>12,450</u>	-	<u>14,900</u>
TOTAL FUNDS	<u>343,713</u>	<u>109,369</u>	<u>-</u>	<u>453,082</u>

HAVANT AND EAST HANTS MIND

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	443,705	(346,786)	96,919
Restricted funds			
Men's Sheds	9,500	-	9,500
Blue Lamp Trust	1,450	-	1,450
Minor Aid	1,500	-	1,500
	<u>12,450</u>	<u>-</u>	<u>12,450</u>
TOTAL FUNDS	<u>456,155</u>	<u>(346,786)</u>	<u>109,369</u>

Men's Sheds represents monies received with regards to the Men's Shed organisation.

Blue Lamp Trust is to be used for anger management courses.

Minor Aid is to be used for work within schools in East Hampshire.

18. EMPLOYEE BENEFIT OBLIGATIONS

DEFINED BENEFIT SCHEME

Value of scheme assets and liabilities

	2015 £	2014 £
Surplus in scheme	<u>-</u>	<u>-</u>
Pension asset	<u>-</u>	<u>-</u>

DEFINED CONTRIBUTION SCHEME

1. The charitable company participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

2. Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

3. The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2015

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

4. The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

5. The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

6. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

7. The rules of the Plan state that the proportion of obligatory contributions to be borne by the member and the member's employer shall be determined by agreement between them. Such agreement shall require the employer to pay part of such contributions and may provide that the employer shall pay the whole of them.

8. The charitable company paid contributions at the rate of 5% during the accounting period. Members paid contributions at the rate of 5% during the accounting period.

9. As at the balance sheet date there were 2 active members of the Plan employed by the charitable company. The charitable company has closed the Plan to new entrants.

10. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

11. The valuation results at 30 September 2014 were completed in 2015 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £793 million and the Plan's Technical Provisions (i.e. past service liabilities) were £970 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £177 million, equivalent to a funding level of 82%.

12. The financial assumptions underlying the valuation as at 30 September 2015 were as follows:

	% per annum
Rate of return pre retirement	4.9
Rate of return post retirement:	
Actives/Deferred	4.2
Pensioners	4.2
Bonuses on accrued benefits	0.0
Inflation: Retail Prices Index (RPI)	2.9
Inflation: Consumer Prices Index (CPI)	2.4

HAVANT AND EAST HANTS MIND

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 30 SEPTEMBER 2015

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

13. In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

14. If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

15. The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.

16. Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. (Our recent correspondence to all employers refers.) The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

17. The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

18. The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

19. The charitable company has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 31 March 2015. As of this date the estimated employer debt for 31 March 2015 was £22,409.

19. ULTIMATE CONTROLLING PARTY

During the year the charitable company was under the control of its members, no one member has overall control.