

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

Report of the Trustees and
Financial Statements for the Year Ended 31st March 2023
for
Solent Mind

Solent Mind

**Contents of the Financial
Statements for the Year Ended**

31st March 2023

	Page
Report of the Trustees	1 to 15
Report of the Independent Auditors	16 to 18
Statement of Financial Activities	19 to 20
Balance Sheet	21 to 22
Cash Flow Statement	23
Notes to the Cash Flow Statement	24
Notes to the Financial Statements	25 to 42

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

4004500 (England and Wales)

Registered Charity number

1081116

Registered office

15-16 The Avenue
Southampton SO17 1XF

Trustees

	Appointed	Resigned
John Wilderspin - Chair	06/09/2018	
Robin Goater – Treasurer	06/09/2018	
Gareth George	18/09/2019	
Ruth Poyner	18/09/2019	
Richard Pullen	15/10/2020	
Haseeb Shakoor	29/01/2020	
Denise Vine	26/05/2021	
Simon Reeves	26/05/2021	17/01/2023
Simon Wickes	26/05/2021	
Lucy Robins	26/05/2021	
Christine Pennington	26/05/2021	31/05/2022
Helen Fuge	05/10/2022	
Neil Sahota	07/12/2022	

Company Secretary

Sally Arscott - appointed 13 June 2022

Senior Statutory Auditor

P E H Wright FCA DChA

Independent auditors

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

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

Administration Information

Solent Mind is a company limited by guarantee, as well as a registered charity. The charity was created in 1962, and the company was created in 2000. The written constitution and governing document is the Memorandum and Articles of Association, which was last amended in 2020.

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

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

Recruitment and appointment of Trustees/ Directors:

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

During 2022/23 two new Trustees were appointed to Solent Mind, there were also two resignations in the same period. There were no new Trustees to Mayfield Nurseries.

Administration Information

The day-to-day management of the organisation is delegated to the Chief Executive, who is also the designated Company Secretary. Following the resignation of Kevin Gardner as Chief Executive from 31 March 2022, Rosalind Czarnowska was appointed as Interim Chief Executive. Sally Arscott was then appointed as the new Chief Executive on 13th June 2022, with a vision to move the charity forward.

The Chief Executive is supported by the Senior Management Team and in 2022/23, this was as follows:

Sue Forber, Director for italk

Clare Grant: Assistant Director of Services

Debbie Prince: Director of HR

Neil Evans Director of Finance and IT

Robert Wayman: Director of Fundraising and External Engagement (joined Dec 2022)

Sarah Brightwell: Director of Quality (Joined Feb 2023)

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

The following provided services to the charitable company during 2022/23:-

Auditors:

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

Bankers:

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

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

Solicitors:

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

Womble Bond Dickinson: Oceana House, Commercial Road, Southampton, Hampshire, SO15 1GA

Blake Morgan, New Kings Court, Tollgate, Chandler's Ford, Eastleigh, Hampshire, SO53 3LG

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

Structure, Governance and Management

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

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

The Trustees normally allocate an away day twice a year for their own training and development. In 2022/23, these took place in May & December 2022 and included training on service user engagement as well as Equality, Diversity and Inclusion. Our AGM took place in November 2022, and was held to coincide with our 60th Birthday celebrations. Maggie MacIsaac, CEO of the Hampshire & IOW Integrated Care Board, spoke alongside other funders and partners to almost 100 stakeholders and members to celebrate the impact of our work both across the year and over the last 60 years.

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

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

Solent Mind is affiliated to Mind, the national mental health charity, as a Local Mind Association, the terms of this relationship being set out in the Mind Federation Agreement, signed on 1st April 2021. The latest Community Partnership Agreement (CPA) includes an increased emphasis on local collaboration and clarification on working arrangements in overlapping areas among Local Minds. There is no financial or managerial connection beyond the payment of the membership fee. As with the CPA, the Federation Agreement with Mind enables us to determine our own policies and activities locally.

Solent Mind shares broadly the same charitable objects as other Local Mind Associations. Further to the provisions in the Federation Agreement, Solent Mind also has a Memorandum of Understanding with its neighbouring Local Minds, Andover Mind and Havant & East Hants Mind and this sets out the shared vision and values for promoting better mental health to the communities of Hampshire. This supplements the ongoing collaboration whereby Solent Mind, Andover Mind and Havant & East Hants Mind have created a Community Interest Company ("Hampshire Mind CIC") to jointly deliver mental health services across Hampshire.

Solent Mind takes advantage of Mind publicity, information and training as well as practical measures such as the block insurance policy. More importantly, Solent Mind joins with Mind and its regional network in national campaigning events and initiatives to support the charitable aims and promote the benefits of the charitable group.

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

Risk Assessment:

Solent Mind's Risk Register is reviewed by the Board every 6 months, most recently in December 2022. This sets out how different initial risks are assessed in terms of probability and impact to generate a risk score to assess risk significance. For each risk, the control measure and remedial action plans are used to determine and then mitigate the level of residual risk, and for major decisions to assess risk appetite.

Safeguarding practice, Data Protection and Public Interest Disclosure (whistleblowing) policies are reviewed each year. All staff undertake online safeguarding training in their first few days of employment and this is supplemented with in-person training at our induction days which are held every 6 weeks.

Volunteers:

We continue to support our volunteer workforce and over 2022/23 have also created new volunteer roles in both Peer Support and Mayfield Nurseries. Over the last year, our volunteers gave over 7,000 hours of volunteering time to support our services and projects. Many of our volunteers are ex-service users and their ability to progress into volunteering is an important next step in their own personal recovery. These volunteers are also supported with broader community and corporate volunteers, and together, they make a huge impact on the volume and diversity of work we can offer. We are proud of our volunteers, and value enormously the support they offer to both our organisation and service users.

Over 2022/23, we have also reviewed and updated our volunteer policy as part of the Mind Quality Mark process and are working to develop this further, so we can continue to develop and expand volunteering levels across the organisation.

Objectives and Activities

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

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

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

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

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

Significant Activities

Solent Mind is an established provider of mental health services, and during 2022-23, worked across Hampshire, Southampton and Portsmouth to provide support across the following main groups of services and activities:

	Location Provided	Main impacts and benefits
Outreach and Education	Southampton, Portsmouth and Hampshire	Targeted work with young people and wider engagement with our communities
Advocacy	Portsmouth	Community Advocacy, Independent Mental Capacity Advocacy (IMCA), Independent Mental Health Advocacy (IMHA), Care Act, Paid Representatives, Deprivation of Liberty Safeguards
Peer Support	Southampton, Portsmouth and Hampshire	'Support with inspiration' provided by people with lived experience of mental health issues, for people referred by both primary and secondary mental health teams, as well as self-referral in the community. Also targeting some specific communities, such as families of Military Serving Personnel.
Employment support	Hampshire and Portsmouth	Employment Support to enable people affected by mental illness retain and / or seek employment.
Talking Therapies	Hampshire	Low intensity psychological therapies via sub-contract with Southern Health NHS Foundation Trust
Wellbeing	Southampton, Portsmouth and Hampshire	Support to people with mild to moderate mental illness offering practical skills & courses, wellbeing groups, and in Southampton, horticultural therapy. Typically delivered via our network of 7 Wellbeing centres.
Dementia support	Portsmouth and Southampton	Supporting people affected by dementia and their carers to manage their condition and through provision of cognitive activities and 1:1 support, hopefully slow its decline.
Crisis Services	Southampton & Portsmouth	Face to face, text and telephone support to people feeling they are in crisis

Solent Mind works collaboratively with NHS Trusts, local government bodies, other not-for-profit organisations and grass-roots community groups to ensure we can offer a broad range of mental health support and recovery to people of all ages and backgrounds across our communities.

The Trustees monitor the performance of its services, initially through the People and Quality Subcommittee. This includes both qualitative and quantitative evidence as to the impact that each service is making in support of our Vision and Strategic priorities, and performance against our contracts for commissioned services. The material gathered includes numbers of people supported, waiting lists (if any), service user satisfaction, complaints and any safeguarding concerns. The Board has adopted a balanced scorecard approach, supplementing the service quality information with data relating to financial and HR performance. This gives the Board an overview of organisational performance in these key areas. In 2022-23, 10 complaints were received within Solent Mind and a further 35 complaints received through the italk service. All were resolved or processed through the Solent Mind's complaints procedure by year end.

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

Solent Mind welcomes supporters of the charity to become members. Membership of Solent Mind allows the community to get more involved with the charity and members are entitled to vote at the Annual General Meeting and to receive periodic information about the charity. As part of our desire to ensure an active membership base, members were asked to renew their membership and at this point, many dormant members drifted away. As of 31st March 2023, there were 91 members, compared to 170 at the start of the reporting year. All members were invited to attend our AGM in November 2023.

Solent Mind continues to maintain a strong presence on social media during the year and keep our stakeholders up to date via our Annual Review, Solent Mind and Mayfield Nurseries websites, and Facebook, Twitter and Instagram. The Solent Mind website includes regular updates on news and events and is located at <https://www.solentmind.org.uk/news-events/>

Achievements and Performance

2022/23 A year in numbers:

- Total number of service users seen in 2022/23 – 48,346
- Volunteers, excluding trustees gave over 7,000 hours to Solent Mind over the past year
- 351,406 people visited our website, (10% increase YoY). New users account for 82.2% users (down 0.8% YoY)
- Our Heads-Up and Children and Young People's project supported 1,995 young people in schools and colleges
- 580 people were supported through our Portsmouth Employment Services
- Our Wellbeing Centres helped over 3,587 people across Hampshire
- Over 18,960 people were supported through italk talking therapies
- Our Portsmouth Advocacy Service took over 1,400 referrals
- The Lighthouse Crisis project supported over 3,700 individuals
- Southampton Peer Support and Crisis Services offered support to over 5,850 people within the Southampton area

The Board has adopted four separate areas of activity, or 'pillars', each with their own distinct area of focus and which together, combine to support and achieve our high level ambitions for the organisation. The Board has also adopted a detailed Delivery Plan, utilising the National Council for Voluntary Organisations (NCVO) Monitoring and Evaluation Framework, with specific commitments and measures of success. The following summarises the position on each of the four pillars, and achievements in 2022-23:

Pillar 1: High Quality Services

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

Our services for prevention and recovery are the 'core business' of Solent Mind. Our 7 wellbeing centres, talking therapies and peer support are examples of services that give people hope and are held in high regard by communities and commissioners alike. Their inclusion as the first of our pillars reflects our aim to play to our strengths in the areas where we provide direct service provision.

Over the course of 22/23, we also grew our crisis programme to support people when they are feeling at their most vulnerable. A building for a second Lighthouse Service in Bitterne, Southampton was secured. This follows the model of the Lighthouse in Shirley, where people are able to drop in, text or telephone for support out of hours 365 days a year. Staffed once more by peers, the Lighthouse provides a confidential, non-judgemental space to enable people to talk in a supportive way through their thoughts.

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

Our employment service also saw significant support over the course of the year in recognition of the important role employment plays in providing purpose to people and aiding their recovery. Department for Work & Pensions funded our italk service to recruit employment advisors who could not only support people retaining employment, but also seek and secure new forms of work.

In 2022-23 we also implemented changes at senior levels to our organisational structure to enable us to develop more robust programme oversight, impact measurement and systems development. This has included the appointment of a new Director of Quality and a Research Officer able to lead on this work and thus implement continual review and improvement of our services.

Pillar 2: Community Partnerships

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

Our collaboration with partners sits at all levels of the organisation as we seek to work with others to jointly develop and deliver services, either through sub-contracting arrangements or the shared use of existing resources. This includes work with organisations such as No Limits and Prince’s Trust in our Children and Young People’s work, or delivering our All Age Navigation service, partnered with Southampton Voluntary Services.

Over 2022/23, we also deepened our commitment to working alongside our neighbouring Minds, Andover and Havant & East Hants Minds to deliver services across Hampshire. We were successful in securing the new Hampshire County Council Wellbeing contract, which continues delivery of our Wellbeing Centres across the county, but also rolls out new provision of Wellbeing Advisors and Peer Support Workers in every GP surgery, in partnership with the NHS. This expansion of the service allows people seeking mental health support from their local doctor to access more person centred and ongoing support to aid their recovery. This contract award is a real testimony to our Peer led approach, the commitment of our statutory partners to working with the voluntary sector, and the joint approach of the 3 Mind organisations working together.

We have also been part of the transformation of primary care services in Southampton, as we have worked with Southern Health to also create Peer Support workers within GP surgeries across much of the City, with a view to expanding the service across further PCNs in future years.

Over 22/23, we have continued our involvement in italk (talking therapies) service, another of our partnerships with Southern Health, and this benefited from significant additional funding. This has helped us to reduce waiting lists while investing further in outreach and maintaining recovery rates that meet national targets. We are therefore able to reach many more people experiencing issues with their mental health.

Our commitment to collaboration also takes place at a frontline level as our support workers continue to foster partnerships with many local organisations to ensure our service users are able to access holistic support, whether to meet needs around money management at Citizen’s Advice, or access housing support through Housing Associations, among many others. The formation of a community café at Mayfield Nurseries has also been a step change in enabling all parts of that community to access support and continue to stay in touch once more formal wellbeing provisions have concluded. The café provides a venue to engage with each other and our staff, is run with the support of a team of volunteers and also contributes valuable income to the service.

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

In 2022/23, we also extended our community programmes further through using our reserves to fund 2 new community outreach workers, one for Southampton and another for Portsmouth. These staff seek to build relationships with specific communities, and thus better understand and remove barriers to access. We hope that this targeted outreach work will allow more marginalised communities to access the mental health support many require, as our statistics illustrate that they are otherwise far less likely to engage with services.

Pillar 3: Leading Change

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

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

We have continued to attend and participate at the No Wrong Door Board at a strategic level with commissioners and partners from health and social care across Hampshire & Isle of Wight to champion easily access for our communities across all voluntary and statutory mental health services. We have also continued to develop our own Service User engagement, both centrally through the Service User Forum, and locally, through greater engagement with Service users in developing services. This is giving our service users a much stronger voice in the development of both our frontline and strategic work. Service users are also involved in the recruitment and selection of all senior members of staff.

Pillar 4: Trust Through Excellence

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

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

To strengthen our management of services, over 2022/23 we reviewed and augmented our management infrastructure. The board agreed to uplift our pay banding to allow us more effectively attract and retain staff and through this, we augmented the roles and responsibilities for our newly renamed Head of Service positions. We also divided the Director of Services role into 2, thus creating a new Director for italk and recruited into this position. We have also invested in our Fundraising team to allow us to generate a broader range of funding streams and reduce our dependence on a few contracts.

We are also reviewing our IT infrastructure to ensure it is robust and sufficient enough to meet our growing staff needs. As a consequence, at the end of 2022/23, we agreed to outsource our IT support and invest further in the development of new Finance and CRM systems.

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

We have also continued to review the board of trustees and have appointed 2 new trustees, one with a focus on HR and the second particularly aligned to the Southampton locality to enable us to access a broader range of skills and experiences within the board.

Finally, we successfully completed the Mind Quality Audit, steered by National Mind. This is a three-yearly audit of 20 quality standards, ranging from strategy, to management of policies, finances, risk and governance. We were pleased to successfully comply with all the standards, and retain our Mind Quality Mark for a further 3 years.

Concluding Remarks and Future Challenges

2022/23 has been a continued year of change and growth for Solent Mind, we have continued to develop our organisation and respond to the changing needs of our communities. We have played a large role in the transformation of primary care services, as we have established Wellbeing and Peer workers within GPs. As these new posts embed, they will allow us to have even greater impact within our neighbourhoods. We have also strengthened our understanding and reach into our communities, ensuring our peer groups and other services are effectively reaching the areas of greatest needs.

We have also sought to develop our organisational infrastructure, creating new systems and posts to ensure we remain robust and fit for purpose, both now and into the future.

Looking ahead, work is underway to develop our new organisational strategy, starting in April 24. Engagement with service users, staff and stakeholders will be instrumental in determining our priorities for the years ahead and ensuring we continue to take forward the aspects that will most positively impact on the mental health needs of our communities. We do this in the context of a changing commissioning landscape with the development of the Integrated Care Board, as our lead Health commissioner, as well as the merger of the community and mental health trusts through Project Fusion. These initiatives will bring opportunity for Solent Mind, but also funding challenges, particularly as resources are more stretched. We continue to engage our stakeholders at every level to ensure that we can champion mental health support, and ensure everyone experiencing a mental health issue can receive support and respect.

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

Financial Review

Basis of accounting

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

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

Review of the year

Net Incoming Resources before transfers for the year

The group's yearly Total Net Incoming Resources (includes investments from reserves) amounted to £960,419 (21/22 = £236,241). The net income position before the actuarial adjustment for defined benefit schemes is £965,190 which compares to £213,570 for the prior year.

The operating surplus for the year amounted to £1,189,584 including transfers from reserves; this represents 10.6% of Total Incoming Resources for the year (21/22 = £333,345 or 4.01%). The operating surplus also includes release of previously deferred income of £394k as well as including £434k from new contracts based on flat line pricing which generate surpluses in early years to offset inflation in later years. The underlying surplus is therefore closer aligned with prior years.

Solent Mind has seen growth in both Employment & IAPT, Wellbeing, Portsmouth based services and Peer Support services portfolios this combined with increases in trading income has driven the increase in Net Incoming Resources for the year. Donations and legacies is the only income line that reduced year on year.

Mayfield Nurseries are included in the Total Net Incoming Resources for 2022/23 is a negative net income of £18,175 (2021/22 = surplus of £8,038).

During 22/23, Solent Mind made an actuarial loss of £4,771 on its defined benefit schemes compared to an actuarial gain of £22,671 in 2021/22.

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

Incoming Resources for the Year

Gross income for the group for the year has increased to £11,255,556 compared to £8,519,127 in 2021/22. This is an increase of £2,736,429 or 32% in addition to growth of 28% reported in the prior year. The principal funding sources are derived from contract and grant income which accounts for 93% or £10,506,060 (2021/22 = £7,765,378 or 91%) of Solent Mind group's total income. The majority of funding is through service contracts with NHS and local authorities, which are typically between one and three years. This provides Solent Mind with financial stability over the medium term and allows for greater planning certainty and decision making.

Total income includes the release of deferred income held from prior years of £394k relating to two completed projects, this release has a direct positive impact on the surplus for the year.

Mayfield Nurseries gross income for the year totalled £678,696, an increase of £183,015 or 37% (2021/22 = £495,681). Growth included Therapy and Training as well as increases to plant and cafe sales.

Resources Expended

Resources expended for the year totalled £10,290,366 an increase of £1,984,809 or 24% on last year (21/22 = £8,305,557). Charitable Activities expenditure accounted for £9,702,034 of the Solent Mind's total resources expended, this is unchanged in percentage terms at 94% compared to the prior year. Support activities included additional investment in HR and IT to support the level of growth and the step changes needed.

Mayfield Nurseries expenditure for the year totalled £698,871 compared to £487,643 in the prior year.

Capital Expenditure

Solent Mind's group capital expenditure for the year amounted to £166,004 compared to 21/22 of £164,003.

Reserves Policy

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

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

Solent Mind's Trustee Board has considered the adequacy of its reserves held on 31st March 2023, in line with its policy to do so on an annual basis following detailed scrutiny and recommendations by its Finance, Information, Risk and Compliance Subcommittee, which itself is guided by the Charity Commission guidance on charity reserves.

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

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

Funds

Total funds for the Group as at 31st March 2023 are £4,305,916 (31 March 2022 = £3,345,497) of which £3,428,958 relates to unrestricted funds, £ 241,332 relates to restricted funds and £635,626 relates to permanent endowment funds.

Unrestricted funds held by Solent Mind total £3,335,642 of which £1,415,623 is held in general reserve and £320,955 in the revaluation reserve. £1,254,092 has been designated for particular purposes and a further £344,972 is held in the general infrastructure reserve. The general infrastructure reserve is to be used to cover unforeseen losses in central income used to support Solent Mind's infrastructure.

Restricted funds total £ 191,302, of which £49,042, set aside in a Property Maintenance Reserve, relates to a cash donation from MJB Charitable Trust to be used specifically for major repairs and improvements on the properties transferred. £26,748 is held in the Marcella House Legacy Reserve to be used specifically for the Marcella House Project, £33,861 relates to funds from the merger with Fareham and Gosport Mind and is to be used in the Fareham and Gosport area only. £81,650 is held for other restricted funded projects held by Solent Mind.

Permanent Endowment funds total £635,626 and this relates donations from the MJB Charitable Trust and includes three properties that were transferred. Note 21 to the financial statements gives further detail of these properties and the restrictions and condition.

Note 21 to the accounts provides more detail of all the reserves held by Solent Mind and the movements within the year for these reserves.

Impact of Recovery Post COVID-19

The reporting year 2022/23 saw many activities returning to normal across the regional businesses and communities served by Solent Mind. The impact of the pandemic itself on individuals' health and wellbeing is still evolving and many work-practices such as working from home and the use of tools like MS Teams and Zoom are now embedded in everyday working. Solent Mind continues to adapt its service to meet the needs of its community and the funding opportunities to deliver its charitable aims.

Solent Mind has benefitted from being largely funded by local authority and NHS contracts, with some funders having extended contracts beyond the original tendered contractual periods. This now presents a risk to Solent Mind as these services are re-tendered and the funders are seeking to make cost savings as the economy continues to recover from the impact.

Solent Mind has sufficient reserves to cover uncertainties arising from the impact of Covid-19 on funding and activities. Actions such as the Cost Improvement Plan and investing in resources to improve bid writing and new systems will also help ensure Solent Mind is best able to meet the future challenges within its community and economic region.

Investment Policy

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

Solent Mind

Report of the Trustees

for the Year Ended 31st March 2023

Going Concern

The accounts for 2022/23 have continued to show the strong and continued relationships with partner institutions across the Hampshire region. The success of these partnerships is evidenced in the impact that Solent Mind is having on so many lives. The accounts demonstrate the ongoing funding relationships to provide for the activities of Solent Mind. There are of course risks relating to future funding relationships with many of the charitable services provided being subject to regular tenders with NHS Trusts and local government bodies.

The Trustees believe that Solent Mind can demonstrate its Going Concern status based on the portfolio of ongoing activities and contracts in place and the existing reserves held in the balance sheet backed up by assets including cash funds held in the bank. The ongoing strategy includes ambitious plans to continue to support the mental health and wellbeing of the Hampshire region as well as actions in place to monitor and control costs to align these with the levels of income generated each year. With continued inflationary pressure on expenditure, Solent Mind is working through a cost improvement plan as well as taking actions to improve its IT systems including planned investments in its Finance and CRM systems. These actions have been included in an updated budget for 2023/24 and outline budget for 2024/25.

Information provided to Auditors

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

Solent Mind

Report of the Trustees for the Year Ended 31st March 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

In so far as the trustees are aware:

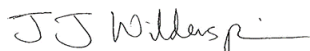
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

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

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

Approved by order of the Board of Trustees on 27th September 2023 and signed on its behalf by:



John Wilderspin - Chairman

Report of the Independent Auditors to the Members of Solent Mind

Opinion

We have audited the financial statements of Solent Mind (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31st March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the group financial statements and our Report of the Independent Auditors thereon. Our opinion on the group financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 15, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- reviewing minutes of meetings of those charged with governance

- Receiving financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

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

Use of our report

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

P E H Wright FCA DChA (Senior Statutory Auditor)
For and on behalf of Sheen Stickland
Chartered Accountants
Statutory Auditors
7 East Pallant
Chichester
West Sussex
PO19 1TR

Date: 20 September 2023

Solent Mind
Consolidated Statement of Financial Activities
for the Year Ended 31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	223,296	-	-	223,296	373,506
Charitable activities						
Employment & IAPT	5	5,731,708	-	-	5,731,708	4,624,266
Wellbeing		2,230,751	77,741	-	2,308,492	1,362,208
Other charitable activities		54,767	11,343	-	66,110	42,852
Portsmouth		937,752	-	-	937,752	654,708
Children and Young Persons		136,840	23,160	-	160,000	125,738
Peer Support		961,792	4,401	-	966,193	691,949
Therapy & Training		219,166	116,639	-	335,805	263,657
Other trading activities	3	479,840	-	-	479,840	379,505
Investment income	4	46,360	-	-	46,360	738
Total		11,022,272	233,284	-	11,255,556	8,519,127
EXPENDITURE ON						
Raising funds						
Raising donations and legacies	6	119,820	-	-	119,820	104,733
Trading activities	7	297,961	-	-	297,961	252,781
		417,781	-	-	417,781	357,514
Charitable activities						
Employment & IAPT	8	5,585,633	-	-	5,585,633	4,615,500
Wellbeing		1,482,792	82,450	3,482	1,568,724	1,344,446
Other charitable activities		201,233	-	-	201,233	160,526
Portsmouth		988,664	-	-	988,664	677,748
Children and Young Persons		164,038	19,270	-	183,308	167,727
Peer Support		877,391	485	-	877,876	636,290
Therapy & Training		378,117	89,030	-	467,147	345,806
Total		10,095,649	191,235	3,482	10,290,366	8,305,557
NET INCOME		926,623	42,049	(3,482)	965,190	213,570
Actuarial gains/(losses) on defined benefit schemes		(4,771)	-	-	(4,771)	22,671
NET MOVEMENT IN FUNDS		921,852	42,049	(3,482)	960,419	236,241

The notes form part of these financial statements

Solent Mind

Statement of Financial Activities - continued
for the Year Ended 31st March 2023

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
Notes					
RECONCILIATION OF FUNDS					
Total funds brought forward	2,507,106	199,283	639,108	3,345,497	3,109,256
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>3,428,958</u>	<u>241,332</u>	<u>635,626</u>	<u>4,305,916</u>	<u>3,345,497</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

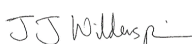
Solent Mind


Consolidated Balance Sheet
31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	13	1,394,901	-	635,626	2,030,527	2,038,278
CURRENT ASSETS						
Stock	14	65,665	-	-	65,665	76,999
Debtors	15	758,794	-	-	758,794	1,774,559
Cash at bank		<u>2,802,620</u>	<u>241,332</u>	-	<u>3,043,952</u>	<u>1,726,336</u>
		3,627,079	241,332	-	3,868,411	3,577,894
CREDITORS						
Creditors	16	<u>(1,585,586)</u>	-	-	<u>(1,585,586)</u>	<u>(2,259,011)</u>
		<u>2,041,493</u>	<u>241,332</u>	-	<u>2,282,825</u>	<u>1,318,883</u>
NET CURRENT ASSETS						
		<u>2,041,493</u>	<u>241,332</u>	-	<u>2,282,825</u>	<u>1,318,883</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		3,436,394	241,332	635,626	4,313,352	3,357,161
CREDITORS						
Amounts falling due after more than one year	17	<u>(7,436)</u>	-	-	<u>(7,436)</u>	<u>(11,664)</u>
		<u>3,428,958</u>	<u>241,332</u>	<u>635,626</u>	<u>4,305,916</u>	<u>3,345,497</u>
NET ASSETS						
		<u>3,428,958</u>	<u>241,332</u>	<u>635,626</u>	<u>4,305,916</u>	<u>3,345,497</u>
FUNDS						
	21					
Unrestricted funds:						
General fund					1,369,660	1,027,671
Designated funds					1,738,344	1,158,481
Revaluation reserve					<u>320,954</u>	<u>320,954</u>
					3,428,958	2,507,106
Restricted funds					241,332	199,283
Endowment funds					<u>635,626</u>	<u>639,108</u>
					4,305,916	3,345,497
TOTAL FUNDS						
					<u>4,305,916</u>	<u>3,345,497</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on: 27 September 2023 and were signed on its behalf by:


.....
John Wilderspin – Chairman


.....
Robin Goater - Treasurer

The notes form part of these financial statements


Solent Mind


Individual Charity Balance Sheet
31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS						
Tangible assets	13	1,337,149	-	635,626	1,972,775	1,987,910
CURRENT ASSETS						
Debtors	15	741,882	-	-	741,882	1,722,822
Cash at bank		<u>2,791,117</u>	<u>191,302</u>	<u>-</u>	<u>2,982,419</u>	<u>1,612,411</u>
		3,532,999	191,302	-	3,724,301	3,335,233
CREDITORS						
Creditors	16	<u>(1,527,069)</u>	<u>-</u>	<u>-</u>	<u>(1,527,069)</u>	<u>(2,127,504)</u>
		<u>2,005,930</u>	<u>191,302</u>	<u>-</u>	<u>2,197,232</u>	<u>1,207,729</u>
NET CURRENT ASSETS						
		<u>2,005,930</u>	<u>191,302</u>	<u>-</u>	<u>2,197,232</u>	<u>1,207,729</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
		3,343,079	191,302	635,626	4,170,007	3,195,639
CREDITORS						
Amounts falling due after more than one year	17	<u>(7,436)</u>	<u>-</u>	<u>-</u>	<u>(7,436)</u>	<u>(11,664)</u>
		<u>3,335,643</u>	<u>191,302</u>	<u>635,626</u>	<u>4,162,571</u>	<u>3,183,975</u>
NET ASSETS						
		<u>3,335,643</u>	<u>191,302</u>	<u>635,626</u>	<u>4,162,571</u>	<u>3,183,975</u>
FUNDS						
	21					
Unrestricted funds:						
General fund					1,415,625	1,027,849
Designated funds					1,599,064	1,019,201
Revaluation reserve					<u>320,954</u>	<u>320,954</u>
					3,335,643	2,368,004
Restricted funds						
					191,302	176,863
Endowment funds						
					<u>635,626</u>	<u>639,108</u>
TOTAL FUNDS						
					<u>4,162,571</u>	<u>3,183,975</u>

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

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


.....
John Wilderspin – Chairman


.....
Robin Goater - Treasurer

The notes form part of these financial statements

Solent Mind**Consolidated Cash Flow Statement
for the Year Ended 31st March 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,418,115</u>	<u>366,281</u>
Net cash provided by operating activities		<u>1,418,115</u>	<u>366,281</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(166,004)	(164,003)
Sale of tangible fixed assets		19,145	15,131
Interest received		<u>46,360</u>	<u>738</u>
Net cash used in investing activities		<u>(100,499)</u>	<u>(148,134)</u>
<hr/>			
Change in cash and cash equivalents in the reporting period		1,317,616	218,147
Cash and cash equivalents at the beginning of the reporting period		<u>1,726,336</u>	<u>1,508,189</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,043,952</u></u>	<u><u>1,726,336</u></u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31st March 2023

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

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	965,190	213,570
Adjustments for:		
Depreciation charges	154,610	127,524
Movement in Pension Deficit	(4,771)	22,671
Interest received	(46,360)	(738)
(Gain)/loss on disposals	-	1,550
Decrease in debtors	1,024,593	(924,583)
Decrease in stocks	11,334	(27,353)
Decrease in creditors	<u>(686,481)</u>	<u>953,640</u>
Net cash provided by operations	<u>1,418,115</u>	<u>366,281</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	<u>1,726,336</u>	<u>1,312,316</u>	<u>3,043,952</u>
Total	<u>1,726,336</u>	<u>1,726,336</u>	<u>3,043,952</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Basis of consolidation

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

Income

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

The specific bases are used as follows:

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

Volunteer services

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

Expenditure

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

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

1. ACCOUNTING POLICIES – continued

Tangible fixed assets

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

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

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

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

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

Stock

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

Related party exemption

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

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	125,340	127,759
Fundraising events	<u>97,956</u>	<u>245,747</u>
	<u>223,296</u>	<u>373,506</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Lease/room hire income	24,852	19,936
Consultancy and training	184,510	139,610
Plant and café sales	268,850	219,006
Members income	<u>1,628</u>	<u>953</u>
	<u>479,840</u>	<u>379,505</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>46,360</u>	<u>738</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Contracts	5,731,708	4,624,266
Contracts & Grants	2,308,492	1,362,208
Grants	66,110	42,852
Contracts & Grants	937,752	654,708
Contracts & Grants	160,000	125,738
Contracts & Grants	966,193	691,949
Grants	<u>335,805</u>	<u>263,657</u>
	<u>10,506,060</u>	<u>7,765,378</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

5. INCOME FROM CHARITABLE ACTIVITIES - continued

		Year ended 31.3.23	Year ended 31.3.22
		£	£
Southampton City Council SS	Contract	114,636	171,915
Hampshire County Council SS	Contract	262,630	574,979
Southern Health NHS FT	Contract	5,508,297	4,356,064
Portsmouth City Council	Contract	179,999	180,159
West Hampshire CCG	Contract	33,536	170,288
DWP - Access to Work	Contract	11,027	16,364
Eastleigh Health Primary Care Network	Contract	8,047	36,094
Individual Service Contracts	Contract	15,601	16,381
NHS Portsmouth CCG	Contract	90,000	94,234
University of Southampton	Contract	7,929	7,570
Solent NHS Trust	Contract	1,696,889	1,210,438
Southampton City CCG	Contract	50,000	14,928
Hampshire Mind CIC	Contract	1,977,768	539,529
Solent Voluntary Services	Contract	60,000	60,000
Coastal Primary Care Network	Contract	35,000	11,667
Other Contracts	Contract	36,453	14,496
MIND	Grant	-	3,098
Southampton City Council SS	Grant	24,206	-
MJB	Grant	77,741	81,618
Zurich	Grant	22,366	15,659
Rathbone Trust	Grant	-	6,332
Community Fund	Grant	216,284	122,286
Dibden Allotment Fund	Grant	15,238	14,855
Richard C	Grant	46,079	-
Hampshire and Isle of Wight Community Foundation	Grant	4,569	-
Sovereign Housing Association Limited	Grant	3,429	-
Southampton Voluntary Services	Grant	2,286	-
Other Grants	Grant	6,050	46,424
		<u>10,506,060</u>	<u>7,765,378</u>

6. RAISING DONATIONS AND LEGACIES

	2023	2022
	£	£
Staff costs	56,073	52,071
Governance costs	1,072	1,375
Support costs	35,231	27,433
Other direct costs	<u>26,794</u>	<u>23,854</u>
	<u>119,820</u>	<u>104,733</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

7. TRADING ACTIVITIES

	2023	2022
	£	£
Staff costs	121,735	123,185
Other operating leases	23,577	18,096
Other direct costs	107,782	85,776
Support costs	43,901	22,734
Governance costs	<u>966</u>	<u>990</u>
	<u>297,961</u>	<u>252,781</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Employment & IAPT	4,627,600	958,033	5,585,633
Wellbeing	1,204,999	363,725	1,568,724
Other charitable activities	197,921	3,312	201,233
Portsmouth	827,422	161,242	988,664
Children and Young Persons	155,796	27,512	183,308
Peer Support	711,744	166,132	877,876
Therapy & Training	<u>431,916</u>	<u>35,231</u>	<u>300,078</u>
	<u>8,157,398</u>	<u>1,715,187</u>	<u>9,872,585</u>

9. SUPPORT COSTS

	Management £	Finance £	Information technology £
Employment & IAPT	140,922	123,545	278,588
Wellbeing	53,502	46,905	105,768
Other charitable activities	487	427	963
Portsmouth	23,718	20,793	46,888
Children and Young Persons	4,047	3,548	8,000
Peer Support	24,437	21,424	48,310
Therapy & Training	<u>5,505</u>	<u>12,952</u>	<u>3,238</u>
	<u>252,618</u>	<u>229,594</u>	<u>491,755</u>
	Human resources £	Governance costs £	Totals £
Employment & IAPT	385,596	29,382	958,033
Wellbeing	146,395	11,155	363,725
Other charitable activities	1,333	102	3,312
Portsmouth	64,898	4,945	161,242
Children and Young Persons	11,073	844	27,512
Peer Support	66,866	5,095	166,132
Therapy & Training	<u>4,857</u>	<u>8,679</u>	<u>35,231</u>
	<u>681,018</u>	<u>60,202</u>	<u>1,715,187</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

10. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	19,671	12,469
Auditors' remuneration – non audit services	3,553	-
Depreciation - owned assets	154,610	127,524
Other operating leases	<u>43,935</u>	<u>81,854</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

Trustees' expenses

Solent Mind – No expenses were paid to the trustees during the year (2022: £251 reimbursed to three trustees). Trustee indemnity insurance cover of £1 million is provided for at a cost of £40 per annum.

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

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	6,912,449	5,654,645
Social security costs	598,834	459,423
Other pension costs	<u>207,717</u>	<u>145,783</u>
	<u>7,719,000</u>	<u>6,259,851</u>

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

	2023	2022
Charitable activities	266	199
Governance and support	<u>13</u>	<u>8</u>
	<u>279</u>	<u>207</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	<u>1</u>	<u>1</u>

Employer contributions for the year for the provision of a defined contribution scheme for the employee with emoluments above £60,000 was £2,048 (2022: £2,178).

Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

13. TANGIBLE FIXED ASSETS

GROUP

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1st April 2022	1,235,000	360,000	1,387,176	9,970	2,992,146
Additions	-	-	166,004	-	166,004
Disposals	-	-	(58,256)	-	(58,256)
At 31st March 2023	<u>1,235,000</u>	<u>360,000</u>	<u>1,494,924</u>	<u>9,970</u>	<u>3,099,894</u>
DEPRECIATION					
At 1st April 2022	-	20,892	925,569	7,407	953,868
Charge for year	-	3,482	150,487	641	154,610
Eliminated on disposal	-	-	(39,111)	-	(39,111)
At 31st March 2023	<u>-</u>	<u>24,374</u>	<u>1,036,945</u>	<u>8,048</u>	<u>1,069,367</u>
NET BOOK VALUE					
At 31st March 2023	<u>1,235,000</u>	<u>335,626</u>	<u>457,979</u>	<u>1,922</u>	<u>2,030,527</u>
At 31st March 2022	<u>1,235,000</u>	<u>339,108</u>	<u>461,607</u>	<u>2,563</u>	<u>2,038,278</u>

CHARITY

	Freehold property £	Long leasehold £	Plant and machinery £	Motor vehicles £	Totals £
COST					
At 1st April 2022	1,235,000	360,000	1,303,062	-	2,898,062
Additions	-	-	146,123	-	146,123
Disposals	-	-	(56,982)	-	(56,982)
At 31st March 2023	<u>1,235,000</u>	<u>360,000</u>	<u>1,392,203</u>	<u>-</u>	<u>2,987,203</u>
DEPRECIATION					
At 1st April 2022	-	20,892	889,260	-	910,152
Charge for year	-	3,482	138,631	-	142,113
Eliminated on disposal	-	-	(37,837)	-	(37,837)
At 31st March 2023	<u>-</u>	<u>24,374</u>	<u>990,054</u>	<u>-</u>	<u>1,014,428</u>
NET BOOK VALUE					
At 31st March 2023	<u>1,235,000</u>	<u>335,626</u>	<u>402,149</u>	<u>-</u>	<u>1,972,775</u>
At 31st March 2022	<u>1,235,000</u>	<u>339,108</u>	<u>413,802</u>	<u>-</u>	<u>1,987,910</u>

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

13. TANGIBLE FIXED ASSETS – continued

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

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

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

	GROUP £	CHARITY £
Historical cost	290,000	290,000
Depreciation	<u>(42,922)</u>	<u>(39,440)</u>
Leasehold Property historical cost NBV	<u>247,078</u>	<u>250,560</u>

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

14. STOCK

	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
Closing Stock	<u>65,665</u>	<u>76,999</u>	<u>-</u>	<u>-</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
Contracts and grant fees	539,678	1,584,889	538,768	1,534,889
Amounts owed by group undertakings	-	-	7,369	7,252
VAT	-	88	-	-
Other debtors	48,468	31,311	37,993	24,330
Prepayments	128,457	92,183	127,671	90,619
Accrued income	<u>42,191</u>	<u>66,088</u>	<u>30,081</u>	<u>65,733</u>
	<u>758,794</u>	<u>1,774,559</u>	<u>741,882</u>	<u>1,722,822</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	99,614	112,412	90,132	95,439
Amounts owed to group undertakings	-	-	-	1,577
Social security and other taxes	129,092	110,130	129,092	105,437
VAT	3,769	-	-	-
Other creditors	118,504	4,535	118,504	4,535
Pension fund	50,294	39,846	48,444	38,176
Accruals	314,649	142,670	286,480	131,200
Deferred income (see note 18)	869,664	1,849,418	854,417	1,751,139
	<u>1,585,586</u>	<u>2,259,011</u>	<u>1,527,069</u>	<u>2,127,504</u>

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

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Pension scheme liability	<u>7,436</u>	<u>11,664</u>	<u>7,436</u>	<u>11,664</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

18. DEFERRED INCOME

GROUP	Balance at 1.4.22 £	Deferred £	Released £	Balance at 31.3.23 £
Contract and Grants	<u>1,849,418</u>	<u>1,939,687</u>	<u>(2,919,441)</u>	<u>869,664</u>
Total Deferred Income Balance	<u>1,849,418</u>	<u>1,939,687</u>	<u>(2,919,441)</u>	<u>869,664</u>
Analysis of deferred income				
Under one year	<u>1,849,418</u>	<u>1,939,687</u>	<u>(2,919,441)</u>	<u>869,664</u>
Total Deferred Income	<u>1,849,418</u>	<u>1,939,687</u>	<u>(2,919,441)</u>	<u>869,664</u>
CHARITY				
	Balance at 1.4.22 £	Deferred £	Released £	Balance at 31.3.23 £
Contract and Grants	<u>1,751,139</u>	<u>1,716,705</u>	<u>(2,613,427)</u>	<u>854,417</u>
Total Deferred Income	<u>1,751,139</u>	<u>1,716,705</u>	<u>(2,613,427)</u>	<u>854,417</u>
Analysis of deferred income				
Under one year	<u>1,751,139</u>	<u>1,716,705</u>	<u>(2,613,427)</u>	<u>854,417</u>
Total Deferred Income	<u>1,751,139</u>	<u>1,716,705</u>	<u>(2,613,427)</u>	<u>854,417</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

19. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid:

	2023	2022
	£	£
Land and buildings		
Expiring:		
Within one year	28,792	37,919
Between one and five years	<u>43,935</u>	<u>43,935</u>
	<u><u>72,687</u></u>	<u><u>81,854</u></u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Endowment	2023	2022
	Funds	Funds	Funds	£	£
	£	£	£	Total	Total
	£	£	£	Funds	Funds
	£	£	£	£	£
Fixed assets	1,394,901	-	635,626	2,030,527	2,038,278
Current assets	3,627,079	241,332	-	3,868,411	3,577,894
Current liabilities	(1,585,586)	-	-	(1,585,586)	(2,259,011)
Pension liability	(7,436)	-	-	(7,436)	(11,664)
	<u>3,428,958</u>	<u>241,332</u>	<u>635,626</u>	<u>4,305,916</u>	<u>3,345,497</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

21. MOVEMENT IN FUNDS – GROUP

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,027,671	921,852	(579,863)	1,369,660
Designated reserves	813,509	-	579,863	1,393,372
General infrastructure reserve	344,972	-	-	344,972
Revaluation reserve	<u>320,954</u>	<u>-</u>	<u>-</u>	<u>320,954</u>
	2,507,106	921,852	-	3,428,958
Restricted funds				
Property maintenance reserve	49,043	-	-	49,043
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	33,861	-	-	33,861
Children and Young Persons	26,992	3,890	-	30,882
Peer Support	791	3,916	-	4,707
Wellbeing	39,429	(4,709)	-	34,720
Other charitable activities	-	11,343	-	11,343
Mayfield Nurseries reserve	<u>22,419</u>	<u>27,609</u>	<u>-</u>	<u>50,028</u>
	199,283	42,049	-	241,332
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	<u>339,108</u>	<u>(3,482)</u>	<u>-</u>	<u>335,626</u>
	639,108	(3,482)	-	635,626
TOTAL FUNDS	<u>3,345,497</u>	<u>960,419</u>	<u>-</u>	<u>4,305,916</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,022,272	(10,095,649)	(4,771)	921,852
Revaluation Reserves	-	-	-	-
	<u>11,022,272</u>	<u>(10,095,649)</u>	<u>(4,771)</u>	<u>921,852</u>
Restricted funds				
Children and Young Persons	23,160	(19,270)	-	3,890
Peer Support	4,401	(485)	-	3,916
Wellbeing	77,741	(82,450)	-	(4,709)
Other charitable activities	11,343	-	-	11,343
Therapy & Training	<u>116,639</u>	<u>(89,030)</u>	<u>-</u>	<u>27,609</u>
	233,284	(191,235)	-	42,049
Endowment funds				
Freehold property reserve	-	-	-	-
Leasehold property reserve	<u>-</u>	<u>(3,482)</u>	<u>-</u>	<u>(3,482)</u>
TOTAL FUNDS	<u>11,255,556</u>	<u>(10,290,366)</u>	<u>(4,771)</u>	<u>960,419</u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

21. MOVEMENT IN FUNDS - GROUP - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,054,936	156,964	(184,229)	1,027,671
Designated reserves	529,280	-	284,229	813,509
General infrastructure reserve	444,972	-	(100,000)	344,972
Revaluation reserve	320,954	-	-	320,954
	2,350,142	156,964	-	2,507,106
Restricted funds				
Property maintenance reserve	49,043	-	-	49,043
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	33,861	-	-	33,861
Children and Young Persons	-	26,992	-	26,992
Peer Support	-	791	-	791
Wellbeing	6,872	32,557	-	39,429
Mayfield Nurseries reserve	-	22,419	-	22,419
	116,524	82,759	-	199,283
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	342,590	(3,482)	-	339,108
	642,590	(3,482)	-	639,108
TOTAL FUNDS	3,109,256	236,241	-	3,345,497

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

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

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

21. MOVEMENT IN FUNDS - CHARITY - continued

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	1,027,848	967,638	(579,863)	1,415,623
Designated reserves	674,229	-	579,863	1,254,092
General infrastructure reserve	344,972	-	-	344,972
Revaluation reserve	<u>320,955</u>	<u>-</u>	<u>-</u>	<u>320,955</u>
	2,368,004	967,638	-	3,335,642
Restricted funds				
Property maintenance reserve	49,042	-	-	49,042
Marcella House legacy reserve	26,748	-	-	26,748
Fareham and Gosport reserve	33,861	-	-	33,861
Children and Young Persons	26,992	3,890	-	30,882
Other Charitable Activities	-	11,343	-	11,343
Peer Support	791	3,916	-	4,707
Wellbeing	<u>39,429</u>	<u>(4,709)</u>	<u>-</u>	<u>34,718</u>
	176,863	14,440	-	191,303
Endowment funds				
Freehold property reserve	300,000	-	-	300,000
Leasehold property reserve	<u>339,108</u>	<u>(3,482)</u>	<u>-</u>	<u>335,626</u>
	<u>639,108</u>	<u>(3,482)</u>	<u>-</u>	<u>635,626</u>
TOTAL FUNDS	<u><u>3,183,975</u></u>	<u><u>978,596</u></u>	<u><u>-</u></u>	<u><u>4,162,571</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	10,562,788	(9,590,379)	(4,771)	967,638
Revaluation Reserves	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	10,562,788	(9,590,379)	(4,771)	967,638
Restricted funds				
Children and Young Persons	23,160	(19,270)	-	3,890
Peer Support	4,401	(485)	-	3,916
Wellbeing	77,741	(82,450)	-	(4,709)
Other charitable activities	<u>11,343</u>	<u>-</u>	<u>-</u>	<u>11,343</u>
	116,645	(102,205)	-	14,440
Endowment funds				
Freehold property reserve	-	-	-	-
Leasehold property reserve	<u>-</u>	<u>(3,482)</u>	<u>-</u>	<u>(3,482)</u>
TOTAL FUNDS	<u><u>10,679,433</u></u>	<u><u>(9,696,066)</u></u>	<u><u>(4,771)</u></u>	<u><u>978,596</u></u>

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

21. MOVEMENT IN FUNDS - CHARITY – continued

Comparatives for movements in funds

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

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

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

21. MOVEMENT IN FUNDS – continued

Unrestricted reserves

General Fixed Asset Reserve - funds that represent the net value of all unrestricted fixed assets held by the charity. Designated reserves - represent funds set aside to support charity developments and to manage future uncertainties and potential liabilities.

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

Restricted reserves

Property maintenance reserve - £49,043 as current assets specifically for major capital repairs and improvements of Solent Mind's Endowment Freehold and Leasehold Property in relation to the MJB Charitable Trust property donations.

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

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

Project specific funds for service delivery - Total funds held £131,680.

Permanent Endowment funds

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

Leasehold property reserve - £203,972 in relation to "Marcella House", a leasehold property and £131,654 in relation to "Abbey Close", another leasehold property donated by MJB Charitable Trust.

Restrictions and conditions

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

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

22. PENSION COMMITMENTS

Solent Mind operates a defined contribution pension scheme. The assets of the scheme are held separately from those of Solent Mind in a fund independently administered by the Pensions Trust. The total contributions in the year were £207,717 and £50,294 was outstanding at the year end.

SCHEME: TPT Retirement Solutions - The Growth Plan

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

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

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

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2023**

22. PENSION COMMITMENTS – continued

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

Deficit contributions

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

PRESENT VALUE OF PROVISION

	31 March 2023 £	31 March 2022 £
Present value of provision	<u>7,436</u>	<u>11,664</u>

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period ending 31 March 2023 £	Period ending 31 March 2022 £
Provision at start of period	11,664	45,967
Unwinding of the discount factor (interest expense)	220	265
Deficit contribution paid	(4,249)	(11,632)
Remeasurements - impact of any change in assumptions	(199)	(268)
Remeasurements - amendments to the contribution schedule	-	<u>(22,668)</u>
Provision at the end of period	<u>7,436</u>	<u>11,664</u>

INCOME AND EXPENDITURE IMPACT

	Period ending 31 March 2023 £	Period ending 31 March 2022 £
Interest expense	220	265
Remeasurements - impact of any change in assumptions	(199)	(268)
Remeasurements - amendments to the contribution schedule	-	(22,668)

ASSUMPTIONS

	31 March 2023	31 March 2022
	% per annum	% per annum
Rate of discount	5.52	2.35

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

Solent Mind
Notes to the Financial Statements - continued
for the Year Ended 31st March 2023

23. CONTINGENT LIABILITIES

As at 31.03.23 Solent Mind has no contingent liabilities (None at 31.03.22).

24. RELATED PARTY DISCLOSURES

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

Mayfield Nurseries owed a balance of £8,298 to Solent Mind (2022: £7,252) at 31.3.23. Solent Mind owed a balance of £1,283 to Mayfield Nurseries (2022: £1,577) at 31.3.23.

On 1st April 2012 the finance and IT and related functions of Solent Mind and Mayfield Nurseries were transferred to Solent Support Solutions Limited a company which is jointly controlled by Solent Mind and Rose Road Association. Solent Support Solutions owed Solent Mind £1,792 (2022: £912) at 31.3.23 and Solent Mind owed Solent Support Solutions £4,344 (2022: £7,183) at 31.03.23.

On 18th July 2017, Solent Mind participated in creating a joint venture Community Interest Company, named Hampshire Mind CIC, with Havant Mind and Andover Mind and share equal control. Hampshire Mind CIC owed Solent Mind £223,177 (2022: £51,521) at 31.3.23 and Solent Mind owed Hampshire Mind CIC £90 (2022: £124) at 31.03.23.

25. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

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

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

	2023	2022
	£	£
Turnover	678,696	495,681
Cost of sales	(172,127)	(109,526)
Gross profit	<u>506,569</u>	<u>386,155</u>
Operating and administrative expenses	(524,744)	(378,117)
Operating profit/(loss)	<u>(18,175)</u>	<u>8,038</u>
Retained reserves brought forward	161,522	153,484
Retained reserves	<u><u>143,347</u></u>	<u><u>161,522</u></u>