

HAMMERSMITH AND FULHAM ASSOCIATION FOR MENTAL HEALTH
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2021

Registered Charity Number: 801259
Registered Company Number: 02257523

**HAMMERSMITH AND FULHAM ASSOCIATION FOR MENTAL HEALTH
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)**

FOR THE YEAR ENDED 31 MARCH 2021

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REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 MARCH 2021

Board of Trustees	Zak Hulstrom Julie Pal Henal Parmar Tamara Quinn Kate Sherratt Deborah St Clair-Thomas Kris Stromdale Gary Redhead	Chair Resigned October 2020 Treasurer Appointed July 2020
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Chief Executive Benn Keaveney

Company registration no. 02257523

Charity registration no. 801259

Registration office 309 Lillie Road
London
SW6 7LL

Auditors Sayer Vincent LLP
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Bankers National Westminster Bank PLC
25 Shepherds Bush Green London
W12 8PR

HSBC PLC
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2nd Floor Space One
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Hammersmith London
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Solicitors Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

**HAMMERSMITH AND FULHAM ASSOCIATION FOR MENTAL HEALTH
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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Board of Trustees, who act as Directors of the Charity for the purposes of Company Law, and Trustees for charity law purposes, submit their Annual Report and the Financial Statements of Hammersmith and Fulham Association for Mental Health for the year ended 31 March 2021. The Board of Trustees confirm that the Annual Report and Financial Statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice for Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)-Charities SORP FRS102.

Objects

The objects of the Association are:

1. To work for and promote the preservation and safeguarding of mental health and the prevention and treatment of mental disorders among both adults and children; and
2. To work for and promote the study of research into mental health and mental disorders and to obtain and make records of and disseminate information concerning the same.

Activities

We are able to meet our objects through a combination of service provision and strategic influencing. Our wide range of services consists of activities which preserve, promote and safeguard individuals' mental health. Some examples of these services are health promotion with young people in schools, training in the workplace, or community-based activities such as advocacy, advice and information. Our work in strategic influencing further reaches object 1) by putting the voices of people with mental health problems, and our own professional opinions into a wide variety of settings where the design and delivery of services can be influenced for the betterment of people with mental health problems. It is through this work that we are able to meet object 2) by Influencing commissioning bodies and the West London Transformation Board.

Public Benefit

The Association provides services to benefit those with mental health problems. People with serious mental health issues are one of the most excluded groups in society with an employment rate below 20%. Around 1 in 4 of the population will have a mental health problem at some time in their life and stress is the leading cause of workplace sickness. Around a third of all GP time is taken up seeing people with mental health problems.

Mental health problems can have a devastating effect on peoples' lives and the goals of the Association are both to prevent mental health problems escalating where this can be avoided and supporting recovery if the mental health problem has become serious. Our projects are in 3 categories:

1. Preventing mental health problems escalating. These are of public benefit in preventing unnecessary distress for those affected, avoiding unnecessary expenditure in the health and benefits systems and improving the efficiency of the workplace by reducing sickness and staff turnover. Relevant services are:
 - Education in schools on mental health for both pupils and teaching staff;
 - Workplace Training.
2. Supporting people with mental health problems through the secondary mental health system. These are of public benefit in improving the quality of services delivered and aiding recovery through service users having a voice to influence what happens to them. Relevant services are:
 - Advocacy
 - Education in schools on mental health

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

- Information and Advise.
- Service user involvement.

3. Supporting the recovery process. These services are of public benefit in preventing relapse, building wellbeing and, where possible, helping service users move on to independence and away from benefits. Relevant services are:

- Advice and information.
- Counselling (via sub- contracted arrangement)

All services are carefully risk-assessed to avoid doing harm. In addition, service users are involved as far as possible in every aspect of the organisation's activity to ensure services meet their needs. All projects are in line with our objects.

Our workplace training is a service provided to organisations and for which we charge a fee. This income allows us to increase the support we provide to people across the organisation in line with our objectives.

The Board of Trustees confirm that they have referred to the guidance contained in the Charity Commission's guidance on public benefit when reviewing the Association's objectives and in planning activities for the year and future periods.

Achievements and Performance

Covid and its long term affect continues to have a profound impact on the communities we serve. As part of the wider Mind Federation organisation, we are sharing data with other local Minds in the London area. This research is highlighting that the cases we are dealing with have increased in complexity for many individuals and we are now dealing with high levels of trauma which includes suicide prevention for adults and children.

Prior to the Covid crisis, 2019/20 saw Hammersmith and Fulham Mind merge with Ealing and Hounslow Mind to form Hammersmith, Fulham, Ealing and Hounslow Mind. The merged organisation has move ahead on many fronts, the charity has grown in size, reach and influence. Through our diverse range of services, we have impacted over 6,000 people with mental health problems. These services continued during the crisis and we are bringing them back into a non-virtual way of working as quickly as restrictions allow.

In response to the Covid crisis, the charity was able to put in place a contingency plan to move its workforce to a home setting with the minimum of disruption to our service users. Commissioners, partners and service users were informed and our teams continue to provide a service virtually. Since the relaxation in the guidance our work is reverting to a combination of face to face and virtual work. Our research shows that in relation to young people, there is a real need to get back to face to face work and we are planning our 'hubs' accordingly so we can where possible, offer a one stop shop range of services to prevent clients being referred to multi- agencies in different locations.

Our ability to adapt to the crises enabled us to accelerate our digital presence as clearly illustrated through the development and launch of our TV channel (My-Mind TV) for preventative work on mental health wellbeing, particularly with young people. Since its launch we are looking to extend our reach through targeting other vulnerable communities and expand through partnership with other likeminded organisations. We will continue this but blend it with a face to face offer.

Following the successful transfer of Mind in Ealing and Hounslow, the creation of a new business structure with a new board and chair, the organisation (covering the three boroughs of Hammersmith and Fulham, Ealing and Hounslow) has now formed collaborations with other local Minds in the North West London region. This matches the new commissioning areas as part of the NHS 10 year plan.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

The Association is an affiliate of a network of local Mind associations, led by National Mind, the national campaigning organisation. Our organisation is also a member of Mind In London, a pan London Mind organisation.

Youth Services

Youth services is made up of three comprehensive and diverse teams built upon the foundations of the wellbeing advice and successful implementation of a trailblazer pilot and an additional second trailblazers contract. Youth services safely and effectively deliver a wide range of innovative clinical, non-clinical and digital mental health support to children, young people, parents, careers and school staff across, Hammersmith, Fulham, Kensington, Chelsea and North of Westminster.

Mental health support (age 16 – 25):

The Wellbeing Advice Service is a non-clinical preventative and early-intervention service providing one-to-one practical mental health and wellbeing support to students in schools and colleges across Westminster, Kensington and Chelsea and Hammersmith and Fulham.

The Wellbeing Advice Service has been specifically designed for students transitioning into adulthood, aged 16-25. Transitions into adulthood has been identified as a particularly difficult time for young people with mental health problems. Specifically, the transition from child mental health services to adult mental health services can be disruptive and can lead to support being withdrawn or not taken up.

The Wellbeing Advice Service teaches young people practical strategies for supporting their mental health

School based support (age 5-18)

The two Mental Health Support Teams (MHST) work in schools focuses on early intervention, based on well established principles. The team is made up of specialist Clinicians, Education mental health Practitioners (EMHP'S) and a Whole School Approach Coordinator.

To enhance our provision in January 2021 two new key roles were introduced:

- Lead Systemic Educational Practitioner to support on engaging children, parents, and carers from marginalised groups to reduce barriers preventing them from accessing mental health services. The lead uses a trauma informed approach to support children and parents from Black, Asian and Minority Ethnic backgrounds and traveler communities who are on behavior plans and at risk of exclusion or attending pupil referral units. The work is based on parent lead development and facilitated training or workshops.
- Autism Spectrum Condition and Learning Disabilities trained specialist role to work alongside other Youth Services teams and expanding the mental health offering to special schools, Special Education Needs and Disabilities (SEND) children and young people in mainstream schools and colleges with information and Advise

Employment and in Education

In March 2021 funding was obtained from the Shaw Trust to deliver an employment "Working Well" programme. The programme is delivered by the Wellbeing Team and provides young people and adults with practical mental health and well-being support who are looking to find and sustain work through the Shaw Trust Work & Health Programme.

Adult Services

After a period of consolidation and quality improvement, Adult Services now boasts a total of ten services ranging from being both clinical and non-clinical in nature. Adult Service delivers a diversified service and the addition of the Crisis Alternative Project (Safe Space) in April 2021 will provide stability to the service we provide. Projects run during and after working hours and are spread across the tri-borough. Our services now include:

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

- **Hounslow:** Know my Mind (A psychoeducation project funded through a grant by Hounslow council) and TW8 Limit Loneliness (A project to tackle social isolation in TW8, we have been subcontracted by Global Action Plan)
- **Ealing:** Advocacy (both community and inpatient advocacy funded by Ealing), Ealing Advice Service (an advice service delivered as part of a consortium led by Ealing Mencap), Out of Hospital Pathways (an information and advice service to prevent hospital admissions by providing information and advice to those with complex mental health, funded by West London Mental Health Trust)
- **Hammersmith and Fulham-** Fulham Information and Advice (information and advice for Fulham residents, funded by Doctor Edwards and Bishop King's) and a Hoarding Peer Support Group (funded by Hammersmith and Fulham Council)
- **Harrow:** Advocacy (inpatient advocacy at a private hospital in Harrow- Cygnet)
- **Tri-Borough Offer:** Mind my Home (a counselling service providing solution focused therapy to those living within housing associations, funded by Catalyst Housing, Country Fund and A2 Dominion). Safe Space (a crisis alternative, offering emotional support and signposting between 6pm-1am. We also have a clinical offer within the service for CBT, funded by West London Mental Health Trust)

Through demonstrating impact, we have been able to find continuation funding for many of our projects. In addition, through nurturing relationships we have put together successful proposals taken forward by partners, highlighting key gaps in provision increasing our offer.

Training and Consultancy

Unfortunately, most of the past year has been affected by COVID. The initial lockdown saw everything planned training being cancelled. Over the year it has been challenging to rebuild the order book exacerbated by uncertainty and the financial impact of the pandemic.

Nevertheless, the team has used the time to regroup, reflect on our products and how we deliver them. We now have a new product suite in place optimising our existing offer to be relevant to the pandemic and be able to achieve the same outcomes virtually as we did in person.

Wellbeing has come front and centre for many organisations but this has often been in the form of newsletters and signposting, rather than positive, proactive action. Towards the end of 2020/21 we started to see a positive uptick in our bookings and this looks set to continue. An internal marketing resource has been recruited who will help drive leads, building out our local connections and existing relationships.

Other

In 2021/22 we have successfully opened three crisis cafés in each of our boroughs working closely with the NHS to prevent A&E services being overwhelmed with clients in crises, some of which is non- medical. Our plans are to expand this service for specific groups from young people affected by trauma to members of the BAME community.

Our Counselling service continued to be able to offer services to people with emotional difficulties via our partner Headstrong Counselling.

Aside from each service delivery we have continued to work strategically through the London Borough of Hammersmith and Fulham mental health steering groups, primary care mental health steering group, West London Mental Health Trust Transformation Board. Further changes in the commissioning landscape as set out by NHS future plans has intensified our collaboration with other local Minds in the North West region of London.

We are also now in a position to raise the profile of the organisation by attracting more volunteers and expanding the sources of finance which helped us reach and support those residents of the boroughs living

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TRUSTEES' REPORT (continued)

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the experience of mental health issues.

All of us at Hammersmith, Fulham, Ealing and Hounslow Mind (HFEHM) reaffirmed our mission statement this year to enhance, remedy, maintain and protect the mental health of the residents. We have identified four key values which our projects and initiatives will work to.

These are:

- Supporting empowerment;
- Combatting stigma;
- Promoting wellbeing;
- Aiding recovery and re-integration into the community.

FINANCIAL REVIEW

Over the last couple of years HFEHM has grown significantly. Income has increased from £1.56m in 2018/19 to £2.23m last year (2019/2020) to £2.80m in 2020/21 and can be attributed to the full rollout of the two Trailblazer contracts recording income of £1,922k in the year (£1,085k in 2019/20). The increase in income has been offset by Adult Services and Training and Consultancy recording a fall in income £298k (£311k in 2019/20) and £93k (£131k in 2019/20) respectively.

Correspondingly expenditure increased from £1.97m in 2019/20 to £2.62M in 2020/21, while a tight control on costs have seen support costs increasing marginally from £477k to £505k year on year.

This tight control of the underlying cost base has contributed to a surplus net unrestricted reserve of £159k. The net movement in restricted funds showed a surplus of £12k to give an overall increase in reserves of £171k.

The growth alongside improved control over debtors (£521k in 2020/21 against £617k in 2019/20) has seen cash assets increase from £347k to £638k year on year. Creditors of £256k (£208k in 2019/20) and provision of pension liability £95k (£119k in 2019/20) had a marginal negative impact in the level of cash assets by £24k.

Hammersmith and Fulham Mind participates in a defined benefit pension scheme administered by The Pensions Trust. This year, the liability has reduced by £24k, and the Pension Fund Provision has been adjusted down to £127k. The service deficit payment plan issued by the Pensions Trust involves payment over a ten year period at an average of £25k p.a., which the trustees are confident that cashflows will be able to meet. We remain hopeful that this issue, affecting so many charities, will be resolved soon.

The Trustees note this liability analysed further in note 16 to the financial statements. The Trustees are aware that the deficit on the scheme will fluctuate with changing market conditions and that their responsibility is to meet the required contribution rates, which are built into the annual budgetary processes of the Charity. The cashflow projections are annually calculated to reflect these continuing service deficit repayments. The Trustees do not consider this deficit to represent an immediate demand on the Charity's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds. The restricted income funds have limitations that mean that they cannot be used to contribute towards any additional resource requirements of the Charity's unrestricted funds arising from the pension scheme deficit. We will continue to review and rigorously monitor our pension fund liabilities.

Reserves

Under the requirements of the Statement of Recommended Practice on Accounting and Reporting by Charities, Hammersmith and Fulham Association for Mental Health segregates its funds into those which are restricted and those which are unrestricted. A further description of these funds and how they are further

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segregated to include the General Reserve is included within Note 16 to the accounts. Total funds for the Charity as at 31 March 2021 were £865k, split between restricted reserves of £215k and unrestricted reserves of £650K (as at 31 March 2020 total reserves were £694k, £203k restricted, £491k unrestricted).

In line with current best practice, the Trustees have, in reviewing Hammersmith and Fulham Association for Mental Health's Reserves Policy, considered the financial impact of those risks identified as part of the on-going risk management process. The Board of Trustees has agreed that the Association, in addition to any restricted or designated reserves and commitments to, and investment in, tangible fixed assets, should have unrestricted general fund reserves equal to three months of operating costs. This equates to some £491k. Given the variety of funding streams, the Trustees have determined that this would be sufficient to enable the Association to manage any likely eventuality.

Unrestricted reserves of £650k is made up of £147k designated reserves and £503k general reserves (after a pension liabilities of £95k) and is sufficient to cover the 3 months operating expenditure required by Trustees.

The Charity has not made any fundraising appeals to the general public during the year, and as a result there has been no outsourced fundraising via professional fundraisers or other third parties. Consequently, the charity is not registered with the fundraising regulator and received no fundraising complaints in the year.

Plans for future periods

- Continually respond to the COVID crisis
- To expand our services into Ealing and Hounslow.
- Expanding our engagement and partnerships with schools and colleges to improve early intervention via our Trailblazer programme.
- Increasing our reach by building partnerships with locally based organisations
- Consolidating our position within the Shifting Settings of Care to ensure effective working with GPs and primary services as both commissioning and care continues to move in that direction.
- Increasing our diversity of funding streams and looking at new business opportunities to increase our financial resources within the boroughs we serve and the wider West London area.
- Work with neighboring Local Minds in the new North West London region to align ourselves with the new Strategic Transformation Partnership (STP) commissioned in 2020.
- To operate collaboratively within the new formed Mind in London organisation to create multi borough responses on mental health services

Risk Management and Key Policies

The Board of Trustees have overall responsibility for risk management and Trustees review the analysis, assessment and management of risks on a quarterly basis. To assist in the close monitoring of risk the remit of the Clinical Subcommittee has been expanded to include the systematic review of risk, alongside considerations of strategic direction. Major risks to which the charity is exposed have been reviewed and actions taken in mitigation. The major risks identified include:

- 1) COVID Crisis – The pandemic has had a profound impact on the communities we serve and how the organisation operates, the risk that the organisation is unable to react to the changes in its operating environment. We have been successful in moving our business online, in the meeting of beneficiaries, providing on-line training sessions and development of the TV channel. Our risk management strategies are being continually assessed as the pandemic and government intervention evolves.
- 2) Safeguarding – An impact of the pandemic has been that the numbers of safeguarding incidents we are required to report have risen significantly, overwhelming our staff and our capacity to serve. Through the employment of specialists staff in this field has substantially improved our capacity alongside greater attention being given to how such instances are recorded is improving our coping mechanisms. Progress is being continually assessed to enhancing our systems and approaches to this difficult issue

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TRUSTEES' REPORT (continued)

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- 3) Managing Growth – Growth has come in the form of being awarded two Trailblazers projects. As these projects are now fully resourced, time is being spent on consolidating on this increased capacity to deliver meaningful interventions in schools impacted by COVID.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Hammersmith and Fulham Association for Mental Health is a charitable company (no. 801259) governed by Articles of Association agreed by its members and controlled by a Board of Trustees elected at an Annual General Meeting. Membership of the Association is obtained through application to the Board of Trustees and the decision to accept or reject an application rests with the trustees. Any member is entitled to stand for election as a Trustee at the Annual General Meeting. One third of the Trustees are required to retire automatically each year and to stand for re-election if they wish to continue. The Chair, Vice- Chair and Honorary Treasurer are elected annually at the Annual General Meeting.

The Board of Trustees usually meets between four and six times per year. The quorum for the transaction of business of the Board of Trustees is five. Subject to the objects and powers designated by the Articles, the Board members are empowered to control the business as they deem fit and to appoint new trustees. Trustees are a mix of people with relevant experience, people of standing in the local community and users of the services of the Association . Trustees have received some training in governance and roles and responsibilities. The Board continues to keep under review risks arising from all areas of operations. The day to day running of the charity is delegated to the CEO.

Salary Policy for Key Management Personnel

Salaries are set in accordance with our salary policy that takes into account a variety of different factors including, line management responsibility, autonomy, specialism and benchmarking. The Resources Committee oversees and reviews this and other policies in line with Mind Quality Mark. The pay of Key Management personnel is approved by Trustees.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Hammersmith and Fulham Association for Mental Health for the purposes of company law) are responsible for preparing the Board of Trustees' Report (incorporating a Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the result of the company for that period.

In preparing these financial statements, the directors are required to:

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

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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 company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006.

Approved by the Board on 29 July 2021 and signed on its behalf



Julie Pal
Chair



Kris Stromdale
Treasurer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HAMMERSMITH AND FULHAM ASSOCIATION FOR MENTAL HEALTH (Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Opinion

We have audited the financial statements of Hammersmith, Fulham, Ealing and Hounslow Mind (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HAMMERSMITH AND FULHAM ASSOCIATION FOR MENTAL HEALTH (Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

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 trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report 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 trustees' annual report. We have nothing to report in respect of the following matters in relation to which 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

HAMMERSMITH AND FULHAM ASSOCIATION FOR MENTAL HEALTH (Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Noelia Serrano (Senior statutory auditor)
9 September 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

**Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)**

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	9,114	-	9,114	160,119	-	160,119
Charitable activities							
Adult Services	3	298,626	-	298,626	246,811	64,179	310,990
Youth Services	3	344,524	1,981,637	2,326,161	435,800	1,196,151	1,631,951
Training & Consultancy	3	92,749	-	92,749	130,845	-	130,845
Other trading activities	4	69,156	-	69,156	-	-	-
Investments	5	11	-	11	1,085	-	1,085
Total income		814,180	1,981,637	2,795,817	974,660	1,260,330	2,234,990
Expenditure on:							
Charitable activities							
Adult Services	6	372,343	-	372,343	358,383	64,179	422,562
Youth Services	6	66,015	1,969,932	2,035,947	220,012	1,113,933	1,333,945
Training and Consultancy	6	166,837	-	166,837	205,908	-	205,908
Organisational Development	6	42,820	-	42,820	-	-	-
Total expenditure		648,015	1,969,932	2,617,947	784,303	1,178,112	1,962,415
Net income before Movement on Pension Provision		166,165	11,705	177,870	190,357	82,218	272,575
Movement on Pension Provision	22	(7,276)	-	(7,276)	(8,735)	-	(8,735)
Net movement in funds	18	158,889	11,705	170,594	181,622	82,218	263,840
Reconciliation of funds:							
Total funds brought forward		491,019	203,202	694,221	309,397	120,984	430,381
Total funds carried forward		649,908	214,907	864,815	491,019	203,202	694,221

Notes on pages 20 to 33 form part of the financial statements.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Balance sheet

Company no. 02257523

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		<u>57,205</u>		<u>57,524</u>
			-		57,524
Current assets:					
Debtors	13	521,448		617,348	
Cash at bank and in hand		<u>637,549</u>		<u>347,229</u>	
		1,158,997		964,577	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>(256,431)</u>		<u>(208,485)</u>	
Net current assets			<u>902,566</u>		<u>756,092</u>
Total assets less current liabilities			<u>902,566</u>		<u>813,616</u>
Provision of Pension Liability	16		<u>(94,956)</u>		<u>(119,395)</u>
Total net assets			<u><u>864,815</u></u>		<u><u>694,221</u></u>
The funds of the charity:	18				
Restricted income funds			214,907		203,202
Unrestricted income funds:					
Designated funds		146,665		146,984	
General funds		<u>630,369</u>		<u>494,663</u>	
Pension reserve		<u>(127,126)</u>		<u>(150,628)</u>	
Total unrestricted funds			<u>649,908</u>		<u>491,019</u>
Total charity funds			<u><u>864,815</u></u>		<u><u>694,221</u></u>

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the trustees on 29 July 2021 and signed on their behalf by



Kris Stromdale
Treasurer

Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities					
Net income for the reporting period (as per the statement of financial activities)			170,594		263,840
Depreciation charges		10,748		15,573	
Movement on Pension Provision		(24,439)		(22,500)	
Dividends, interest and rent from investments		(11)		(1,085)	
Decrease /(increase) in debtors		95,900		(251,304)	
Increase in creditors		47,946		10,308	
			<u>130,144</u>		<u>(249,008)</u>
Net cash provided by operating activities			300,738		14,832
Cash flows from investing activities:					
Dividends, interest and rents from investments		11		1,085	
Purchase of fixed assets		(10,429)		(52,484)	
			<u>(10,418)</u>		<u>(51,399)</u>
Net cash used in investing activities			(10,418)		(51,399)
Change in cash and cash equivalents in the year			290,320		(36,567)
Cash and cash equivalents at the beginning of the year			<u>347,229</u>		<u>383,796</u>
Cash and cash equivalents at the end of the year			<u>637,549</u>		<u>347,229</u>

Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash in hand	347,229	290,320	-	637,549
Total cash and cash equivalents	<u>347,229</u>	<u>290,320</u>	<u>-</u>	<u>637,549</u>

Notes on pages 20 to 33 form part of the financial statements.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

a) Statement of Compliance

The financial statements have been prepared in accordance with 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. Within the previous year Hammersmith and Fulham Association for Mental Health acquired Mind Ealing and Hounslow. The transfer value of Mind Ealing and Hounslow reflects the net assets up to 30th September 2019. This has been included as a donation within the SOFA.

b) General Information:

The charity is a private company limited by guarantee, incorporated in England and Wales (company number: 02257523) and a charity registered in England and Wales (charity number: 801259). The charity's registered office is 309 Lillie Road, London, SW6 7LL.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees have considered the impact of Covid – 19 in assessing that there are no material uncertainties about the charitable company's ability to continue as a going concern.

e) Key judgments and uncertainties

Apart from the provision for the pension scheme liability as noted in the Trustees' Report, the trustees do not consider that there are any other sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

- Expenditure on charitable activities includes the costs of directly delivering the charitable activities.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the support cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of staff time attributable to each activity.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £750. Depreciation costs are allocated to central costs. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

The assets are depreciated at the following rates:

- Fixtures and Fittings 5 years
- Computer Equipment 3 Years

m) Financial Investments:

Basic financial instruments are transactions that result in the recognition of financial assets and liabilities. The trade and other accounts receivables and payables are accounted for on the following basis:

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term savings accounts. Cash balances exclude any funds held on behalf of service users.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Employee Benefits: Pensions

Hammersmith, Fulham, Ealing and Hounslow Mind ran a Defined Benefit Scheme administered by The Pensions Trust. The Pensions Trust ran a multiple scheme for small organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. A shortfall has occurred on this scheme and each participating company in the scheme is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust. In October 2015, an Auto-Enrolment Workplace Pension Scheme was set up for all employees on a Defined Contribution basis.

r) Short Term benefits

Short term benefits including holiday pay are recognised in the period in which the service is received.

Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Notes to the financial statements

For the year ended 31 March 2021

2 Income from donations and legacies (all unrestricted)

	2021 Total £	2020 Total £
Donations	9,114	37,993
Transfer of Mind in Ealing and Hounslow (Note 21)	-	122,126
Legacies	-	-
	<u>9,114</u>	<u>160,119</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Adult Services	298,626	-	298,626	246,811	64,179	310,990
Youth Services	344,524	1,981,637	2,326,161	435,800	1,196,151	1,631,951
Training & Consultancy	92,749	-	92,749	130,845	-	130,845
	<u>735,899</u>	<u>1,981,637</u>	<u>2,717,536</u>	<u>813,456</u>	<u>1,260,330</u>	<u>2,073,786</u>

4 Other Trading Activities

	2021 Total £	2020 Total £
Local Authority Grants	35,000	-
North West London (local Mind Collaboration)	18,750	-
Rental Income	3,200	-
Furlough Income	12,206	-
	<u>69,156</u>	<u>-</u>

5 Investment Income

	2021 Total £	2020 Total £
Bank Interest income	11	1,085
	<u>11</u>	<u>1,085</u>

Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Notes to the financial statements

For the year ended 31 March 2021

6a Analysis of total expenditure

	Staff £	Other £	Support £	2021 Total £
Adult Services	245,608	54,979	71,756	372,343
Youth Services	1,251,731	391,857	392,359	2,035,947
Training and Consultancy	122,212	12,473	32,152	166,837
Organisational Development	23,768	10,800	8,252	42,820
Support Costs	280,255	224,265	(504,520)	-
Total Expenditure	1,923,574	694,374	-	2,617,947

Analysis of total expenditure (2020)

	Staff £	Other £	Support £	2020 Total £
Adult Services	250,595	54,922	117,045	422,562
Youth Services	650,873	379,066	304,006	1,333,945
Training and Consultancy	118,733	31,717	55,458	205,908
Support Costs	249,464	227,045	(476,509)	-
Total Expenditure	1,269,665	692,750	-	1,962,415

6b Analysis of Support Costs

	2021 Total £	2020 Total £
Space and Office Costs	55,419	64,427
Management and Personnel Costs	311,039	364,605
Staff related costs	10,716	7,138
IT Costs	29,812	9,276
Legal and professional costs	22,510	15,893
Governance Costs	11,040	11,070
Other Support Costs	14,685	4,100
Total Support Costs	504,520	476,509

6c Analysis of Governance Costs

	2021 Total £	2020 Total £
Auditor's fees	11,040	11,970
Trustee expenses	-	-
Staff support costs	-	-
Total Governance Costs	11,040	11,970

Notes to the financial statements

For the year ended 31 March 2021

7 Net income for the year

This is stated after charging / crediting:

	2021 £	2020 £
Depreciation	10,748	15,573
Operating lease rentals:		
Property	42,000	46,163
Other	841	1,154
Auditor's remuneration (excluding VAT):		
Audit	9,200	8,640
	<u>9,200</u>	<u>8,640</u>

8

Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	1,714,876	1,118,679
Social security costs	168,257	107,937
Employer's contribution to defined contribution pension schemes	16,939	18,677
Operating costs of defined benefit pension schemes	23,502	24,372
	<u>1,923,574</u>	<u>1,269,665</u>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits including pension contributions of the key management personnel were £347,363 (2020: £253,405), split as follows: Salaries £302,554, Social Security Costs £34,479, and Pensions £10,330.

The organisation paid £5,380 redundancy costs (2020: £8,430).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £nil).

Notes to the financial statements

For the year ended 31 March 2021

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Adult Services	12	10
Youth Services	34	21
Training and Consultancy	4	3
Support Services	7	7
	57	41
	57	41

10 Related party transactions

There were no related party transactions to disclose for 2021 (2020: £nil).

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation			
At the start of the year	24,156	62,489	86,645
Additions in year	–	10,429	10,429
Disposals in year	–	–	–
	24,156	72,918	97,074
At the start of the year	8,338	20,783	29,121
Charge for the year	4,831	5,917	10,748
Eliminated on disposal	–	–	–
	13,169	26,700	39,869
Net book value			
At the end of the year	10,987	46,218	57,205
At the start of the year	15,818	41,706	57,524

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2021

13 Debtors	2021 £	2020 £
Trade debtors	497,597	608,302
Other debtors	–	1,107
Prepayments	23,851	7,939
	<u>521,448</u>	<u>617,348</u>

14 Creditors: amounts falling due within one year	2021 £	2020 £
Trade creditors	49,935	51,463
Taxation and social security	53,595	43,644
Other creditors	49,651	–
Accruals	11,040	24,749
Deferred income (Note 15)	60,040	57,396
Pension Provision within one year	32,170	31,233
	<u>256,431</u>	<u>208,485</u>

15 Deferred income	2021 £	2020 £
Balance at the beginning of the year	57,396	175,056
Amount released to income in the year	(57,396)	(175,056)
Amount deferred in the year	60,040	57,396
Balance at the end of the year	<u>60,040</u>	<u>57,396</u>

The income deferred relate to amounts invoiced in advance for services to be undertaken in 2020/21.

16 Pension Provision > 1year	2021 £	2020 £
Pension Provision	94,956	119,395
	<u>94,956</u>	<u>119,395</u>

Hammersmith, Fulham, Ealing and Hounslow Mind ran a Defined Benefit Scheme administered by The Pensions Trust. The Pensions Trust ran a multiple scheme for small organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. A shortfall has occurred on this scheme and each participating company in the scheme is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust. In October 2015, an Auto-Enrolment Workplace Pension Scheme was set up for all employees on a Defined Contribution basis.

Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Notes to the financial statements

For the year ended 31 March 2021

17 Analysis of net assets between funds

	Designated £	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	57,205	–	–	57,205
Net current assets	89,460	598,199	214,907	902,566
Pension Provision	–	(94,956)	–	(94,956)
Net assets at the end of the year	146,665	503,243	214,907	864,815

Comparative Analysis of net assets between funds (2020)

	Designated £	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	57,524	–	–	57,524
Net current assets	89,460	463,430	203,202	756,092
Pension Provision	–	(119,395)	–	(119,395)
Net assets at the end of the year	146,984	344,035	203,202	694,221

18 Movements in funds

	At the start of the year £	Income £	Expenditure £	Transfers £	At the end of the year £
Restricted funds:					
Trailblazers West London	193,890	1,200,572	(1,179,555)	–	214,907
Trailblazers Hammersmith & Fulham	–	721,065	(721,065)	–	–
Whole School Approach	9,312	60,000	(69,312)	–	–
Total restricted funds	203,202	1,981,637	(1,969,932)	–	214,907
Unrestricted funds:					
Designated funds:					
Fixed Assets	57,524	–	–	(319)	57,205
Legacy	89,460	–	–	–	89,460
Total designated funds	146,984	–	–	(319)	146,665
Pension Reserve	(150,628)	–	23,502	–	(127,126)
General funds	494,663	814,180	(678,793)	319	630,369
Total unrestricted funds	491,019	814,180	(655,291)	–	649,908
Total funds including pension fund	694,221	2,795,817	(2,625,223)	–	864,815

Notes to the financial statements

For the year ended 31 March 2021

Purposes of restricted funds

Trailblazers relates to two grants for the provision of mental health support teams in educational settings, funded by the local Clinical Commission Groups of the NHS covering the areas of West London and Hammersmith and Fulham.

Whole School Approach is a Mind National funded grant for the early intervention of mental health support to a range of education settings: primary, secondary, free school, special school, 6th form college, further education colleges and the wider school community (parents and carers).

Purposes of designated funds

The Fixed Assets Fund reflects capitalised equipment purchased by using unrestricted fund or Capital grants where there is no continuing restriction as to use. The balance carried forward is equal to the net book value of the related fixed assets.

In 2018/19 the charity was in receipt of a legacy and at the time the purpose had not been specified by the Trustees. During 2019/20 £89,530 was utilised in the reorganisation of central services, developing the capacity of the senior management team and in the transfer of Mind Ealing and Hounslow. In the last year (2020/21) the Trustees have not seen fit to utilise the funds in a period of significant growth and a need to strengthen the finances of the organisation.

Comparative Movement in Funds (2020)

	At the start of the year £	Income £	Expenditure and Movements in Pension Provision £	Transfers £	At the end of the year £
Restricted funds:					
Trailblazers West London	91,471	764,542	(662,123)	-	193,890
Trailblazers Hammersmith & Fulham	-	320,198	(320,198)	-	-
Whole School Approach	29,513	111,411	(131,612)	-	9,312
BBO Employment Project with National Mind	-	64,179	(64,179)	-	-
Total restricted funds	120,984	1,260,330	(1,178,112)	-	203,202
Unrestricted funds:					
Designated funds:					
Fixed Assets	20,615	-	-	36,909	57,524
Legacy	178,989	-	-	(89,529)	89,460
Total designated funds	199,604	-	-	(52,620)	146,984
Pension Reserve	(175,000)	-	24,372	-	(150,628)
General funds	284,793	974,660	(817,410)	52,620	494,663
Total unrestricted funds	309,397	974,660	(793,038)	-	491,019
Total funds including pension fund	430,381	2,234,990	(1,971,150)	-	694,221

Notes to the financial statements

For the year ended 31 March 2021

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	42,000	42,000	1,368	1,368
One to five years	56,750	98,750	1,405	3,493
Over five years	-	-	-	-
Total Operating Lease commitment	98,750	140,750	2,773	4,861

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Notes to the financial statements

For the year ended 31 March 2021

22 Pension schemes

SCHEME: TPT Retirement Solutions – The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 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.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each year on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

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.

Hammersmith and Fulham Association for Mental Health
(Known as Hammersmith, Fulham, Ealing and Hounslow Mind)

Notes to the financial statements

For the year ended 31 March 2021

PRESENT VALUES OF PROVISION

	31 March 2021 (£000s)	31 March 2020 (£000s)	31 March 2019 (£000s)	31 March 2018 (£000s)
Present value of provision	127,126	150,628	182,725	200,204

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2021 (£000s)	Period Ending 31 March 2020 (£000s)
Provision at start of period	150,628	182,725
Unwinding of the discount factor (interest expense)	3,384	2,312
Deficit contribution paid	(31,233)	(30,324)
Remeasurements – impact of any change in assumptions	4,347	(4,085)
Remeasurements – amendments to the contribution schedule	-	-
Provision at end of period	<u>127,126</u>	<u>150,628</u>

Notes to the financial statements

For the year ended 31 March 2021

22 Pension schemes (continued)

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2021 (£000s)	Period Ending 31 March 2020 (£000s)
Interest expense	3,384	2,312
Remeasurements – impact of any change in assumptions	4,347	(4,085)
Remeasurements – amendments to the contribution schedule	–	–
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

	31 March 2021 % per annum	31 March 2020 % per annum	31 March 2019 % per annum	31 March 2018 % per annum
Rate of discount	0.66	2.53	1.39	1.71

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.

SCHEME: TPT Retirement Solutions – The Growth Plan

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

The non-discounted payments will be:

Year ending	31 March 2021 (£000s)	31 March 2020 (£000s)	31 March 2019 (£000s)	31 March 2018 (£000s)
Year 1	32,170	31,233	30,324	25,799
Year 2	33,136	32,170	31,233	26,573
Year 3	34,130	33,136	32,170	27,371
Year 4	29,295	34,130	33,136	28,192
Year 5	–	29,295	34,310	29,037
Year 6	–	–	29,295	29,909
Year 7	–	–	–	30,806
Year 8	–	–	–	15,865
Year 9	–	–	–	–
Year 10	–	–	–	–
	<u>128,731</u>	<u>159,964</u>	<u>190,468</u>	<u>213,552</u>