



**For better  
mental health**

**Mind (The National Association for Mental Health)**

**Report and financial statements**

**For the year ended**

**31 March 2008**

**Company number: 424348**

**Charity number: 219830**

**Granta House, 15–19 Broadway, Stratford, London E15 4B**

# Mind (The National Association for Mental Health)

## Report of the Council of Management

Year ended 31 March 2008

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### Patron

HRH Princess Alexandra, The Hon Lady Ogilvy GCVO

### President

The Rt Hon the Lord Bragg

### Vice Presidents

Mary Appleby CBE

The Most Rev. and Rt. Hon Archbishop of Canterbury

Professor Alan Clark CMG

The Free Churches Moderator

The Very Reverend Chief Rabbi

### Trustees as at 31 March 2008

#### Honorary Officers

Chair

David Henry \*+ # ♦

Vice Chair-External Relations

Alison Cowan \* ⊗ ♦

Vice Chair-Networks

Keith Cornford + ♦

Treasurer

Maureen Dickson # ⊗ ♦

#### Trustees co-opted by Council

Kay Sheldon \*

Mike Walker +

Eileen Wareham #

#### Trustees elected

Liz Aram \*

Gillian Bausor +

Ryan Campbell \*

Richard Jackson

Brian Lummis # ⊗

Christina Richards \*

Jane Ross # ♦

Steve Young +

#### Sub-committee membership of Council of Management

\* External Relations

+ Networks

# Business Management Committee

⊗ Audit Committee

♦ Remuneration Committee

### Other trustees who served during the year to 31 March 2008

Tim Durkin (to 5 December 2007)

Roland Newman (to 5 December 2007)

Navin Foolchand (to 17 March 2008)

There have been no changes in trustees since 1 April 2008 to the date of this report.

### Chief Executive and Company Secretary

Paul Farmer

# **Mind (The National Association for Mental Health)**

## **Report of the Council of Management (continued)**

**Year ended 31 March 2008**

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### **Professional advisers**

#### **Auditors**

haysmacintyre  
Fairfax House  
15 Fulwood Place  
London WC1V 6AY

#### **Principal solicitors**

Anthony Collins Solicitors  
134 Edmund Street  
Birmingham B3 2ES

#### **Principal bankers**

The Royal Bank of Scotland  
9th Floor, 280 Bishopsgate  
London EC2M 4RB

#### **Investment advisers**

UBS  
1 Curzon Street  
London W1J 5UB

### **Report of the Council of Management**

The Council of Management presents its report with the financial statements of Mind for the year ended 31 March 2008.

### **Organisation structure**

Mind (The National Association for Mental Health), referred to here as Mind, is a charity, constituted as a company limited by guarantee and not having a share capital. Mind is governed by a board of trustees forming the Council of Management, as constituted by Mind's Memorandum and Articles of Association. Members of Council are both trustees of the charity and directors of the company.

Mind's consolidated figures include Mind; its two wholly owned subsidiaries – Minds Matter (Trading Activities) Limited and Mind Fundraising Limited; and connected trusts – the Elliott Charity, The Mary Hemingway Rees Memorial Fund and the Mind Death in Service Trust.

Minds Matter (Trading Activities) Limited carries out the marketing, distribution and sale of donated goods as agent for Mind and receives income from Christmas card sales and other merchandise. The subsidiary gifts its profits to Mind.

Mind Fundraising Limited was dormant during the year, as all Mind's fundraising activities can be and are carried out in the charity in a tax-efficient way, without the need for a separate trading subsidiary.

The Mind network consists of Mind together with 184 local Mind associations (LMAs) which are affiliated to Mind. The LMAs are separate charities in their own right, and are responsible for their own financial affairs and statements. These statements do not include the local Mind association accounts. The total gross income of LMAs is some £85 million, which together with that of Mind of £18 million gives the total Mind network gross income of over £100 million.

# **Mind (The National Association for Mental Health)**

## **Report of the Council of Management (continued)**

**Year ended 31 March 2008**

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### **Governance and management**

Council of Management consists of up to 16 trustees drawn from Mind's individual and affiliated (local Mind association) membership. Up to eight trustees are elected by the members of Mind, and up to eight members are co-opted by Council. The election or appointment of trustees is set out in the Articles of Association of Mind. The Honorary Officers are elected by Council from among its members.

The membership of Council must in so far as it is practicable, include:

- a minimum of 50 per cent with personal experience of mental distress
- one member of the Mind Link National Advisory Panel (chosen by Mind Link members)
- at least two individuals from black or minority ethnic communities, and
- at least one individual living in Wales.

Terms of office are for three years and trustees may serve up to a maximum of three terms.

New trustees are given a structured induction day and training and development needs are established and met on an individual basis.

The Council of Management has six subcommittees. The External Relations, Networks, Business Management Committees and Pwyllgor Cymru meet quarterly before the Council of Management and have delegated responsibilities for relevant areas of work. External Relations has oversight of our policy, communications and information work. Networks Committee has oversight of support of LMAs and other networks, governance and grant giving. Business Management includes oversight of finance, investments, fundraising and staff matters. Pwyllgor Cymru has oversight of Mind's work in Wales. There is also an Audit Committee, which meets as required but at least twice a year and reports to Council. The Remuneration Committee determines the policy and arrangements for the pay of the Chief Executive and the senior management team.

A board assessment is carried out each year, to evaluate how well Council of Management functions and how it can improve in future. An annual audit including diversity of the board is carried out, and 73% of us bring direct experience of mental distress to our roles.

The day-to-day management of the charity is delegated to the Chief Executive, who reports to the Council of Management.

### **Statement of responsibilities of Members of Council**

Company law requires the Members of Council to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and its subsidiaries and of their incoming resources and application of resources for that period. In preparing those financial statements, the Members of Council are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable account standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the company will continue in business.

# **Mind (The National Association for Mental Health)**

## **Report of the Council of Management (continued)**

**Year ended 31 March 2008**

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### **Statement of responsibilities of Members of Council (continued)**

The Members of Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 determining how amounts are presented within items in the statement of financial activities and balance sheet, the Members of Council have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

So far as each of the Members of Council is aware at the time the report is approved: there is no relevant audit information of which the company's auditors are unaware, and the directors 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.

### **Objectives**

#### **Mind's mission:**

Our vision is of a society that promotes and protects good mental health for all, and that treats people with experience of mental distress fairly, positively, and with respect.

The needs and experiences of people with mental distress drive our work and we make sure their voice is heard by those who influence change.

Our independence gives us the freedom to stand up and speak out on the real issues that affect daily lives.

We provide information and support, campaign to improve policy and attitudes and, in partnership with independent local Mind associations, develop local services.

We do all this to make it possible for people who experience mental distress to live full lives, and play their full part in society.

#### **Mind's values are:**

**Informed:** People with experience of mental distress drive all we do.

**Diversity:** We respect everyone's experience and ensure inclusion is at the heart of our work.

**Partnership:** We are committed to working with our networks and all who will help us achieve our mission.

**Integrity:** Our independence ensures our integrity – we are never compromised.

**Determined:** We will never give up challenging discrimination and campaigning for better mental health.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Activities, achievements, performance and future plans

Mind's strategic plan is divided into key strategic objectives, and to achieve these, our work is set out in 12 programmes of activity. To measure our performance in these, Council monitor and evaluate 25 key performance indicators and progress against a series of key milestones set for each programme, on a quarterly basis.

The key objectives are:

**Changing society:** Mind will influence and change government policy and practice which affects people with mental distress.

**Changing public attitude:** Mind will influence and change public attitudes towards people with mental distress.

**Stronger LMA network:** Mind will seek to improve the delivery of services for people experiencing mental distress through a strong federated network.

**Expert by experience:** Mind will champion the right of people with direct experience of mental distress to have a voice and be heard.

**Full lives:** Mind will help people to take control over their mental health, to realise their potential, and to function as citizens and fulfilled human beings.

**Developed organisation:** Mind will create an organisation and culture that is fully equipped to deliver Mind's mission and increase our impact.

We have made significant strides in these objectives in the year.

#### Changing society

This objective has a focus on our campaigning and legal work in influencing and changing government and decision-makers' policy and practice that affect people with mental distress. This year has seen a significant number of positive policy outcomes, including:

- Additional £170 million allocated by the Department of Health for increasing access to psychological treatments.
- Review of use of trial data in respect of Seroxat will lead to a change in the law on the use of such data.
- Mind's Ecotherapy campaign and report continued to be widely recognised as influential.
- Our *Another assault* report looks likely to lead to changes in Police and Crown Prosecution Service policy towards people with mental distress who report crimes.

**Mind has a strong influence on mental health matters**

Mind is seen as an influential commentator on mental health issues. This year, Mind representatives have met the Prime Minister, Leader of the Opposition, Leader of the Liberal Democrats, and Welsh Assembly First Minister. We have regular meetings with ministers in the Department of Health, Department of Work and Pensions, and Ministry of Justice.

The Asserting Rights Programme is on track, with the review of legal work being implemented in the current year, which will strengthen our capability to support key test cases.

Objectives for the coming year are to run a campaign on debt and mental health to highlight the need for better support and services by financial service companies, banks and local authority collection departments for people with mental health problems and debt difficulties. We aim to achieve three significant impacts on major strands of policy work, and as part of the Time to Change programme, to carry out legal test cases on discrimination.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Activities, achievements, performance and future plans (continued)

#### Changing public attitude

This objective has a focus on our campaigning and media work in changing people's attitudes about mental health.

Mind's media profile remains high, with Mind spokespersons being quoted in every major national paper and broadcast news outlets over the year. There is growing interest in our external training work, and demand for courses delivered to organisations in house has increased. We plan to respond to this trend with a marketing campaign aimed at large organisations.

#### **Time to Change programme launched to tackle stigma and discrimination**

We were successful in obtaining funding for the Time to Change campaign of over £16 million from the Big Lottery Fund and £2 million from Comic Relief. The programme was launched in the year, initially under the temporary Moving People name, and will run for five years. The aim is to tackle stigma and discrimination towards people with mental health problems. The programme is carried out in partnership with

three other mental health organisations, Mental Health Media, Rethink and the Institute of Psychiatry, Kings College London.

A key objective for the coming year is to deliver the Mind led elements of the Time to Change programme, which include a pilot Get Moving mass-participation event focusing on mental and physical wellbeing. Other objectives include developing an employers' project to look at influencing mental health in the workplace, and to continue to raise Mind's profile to support all our work.

#### Stronger LMA network

This objective seeks to improve the delivery of services for people experiencing mental distress through a strong federated network of local Mind associations (LMAs). There are 184 LMAs operating in England and Wales, and they deliver 1,644 services across 76 different types of service.

We achieved our objectives of finalising the new quality review process for LMAs, and of further developing the sharing of information and good practice. Mind's Wellbeing programme was slow in development and the scoping for this work will be finished in the current year.

#### **Mind gave a record £1.1 million to local Mind associations**

Mind's grant-giving and partnership work continues to grow, with the addition of the Time to Change campaign which includes money distributed to local Mind associations to take part in the campaign.

Objectives for the coming year include the implementation of the new quality review process and also a thorough review of the quality standards themselves, including the creation of levels of quality to recognise excellence. Also the continued development of Mind's support for LMAs remains important, and this year includes plans to set up special interest groups.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Activities, achievements, performance and future plans (continued)

#### Expert by experience

This objective is to ensure that Mind champions the right of people with direct experience of mental distress to have a voice and be heard.

We have achieved our objective for the year, to have a more joined-up approach to user involvement with a new Head of Involvement post providing a focus for this work. We have supported many people with personal experience of mental distress to contribute their experiences.

People with direct experience of mental distress and mental health service users have spoken at Party Conferences, in the media, including the Today Programme, attended meetings with Ministers and given evidence to the Public Accounts Select Committee. We have begun to formally log involvement, which shows that people have been directly involved in shaping our work on about 3,000 different occasions.

**Over 3,000 people with experience of mental distress have directly helped Mind's work**

Objectives for the coming year include the holding of an organisation-wide debate on the involvement of people with direct experience of mental distress, an audit of involvement in Mind, and the development of policies and good practice guides on involvement in Mind so that an increasing number of people can be more involved in the charity.

#### Full lives

This objective focuses on our ability, at a national and local level, to provide direct support to people who experience mental distress, to help people to take control over their mental health, to realise their potential, and to function as citizens and fulfilled individuals.

Our objectives for the year were to continue to develop Mind's high quality information, which we achieved through:

- Enquiries to Mind*info*Line and Legal Advice Line exceeded target by 25%, and at 31,000 contacts, is the highest ever. Satisfaction levels were also above target at 90%.
- Mind's Information Programme has focused on reaching the most marginalised, with a particular emphasis on people in acute inpatient units, whose access to information is often limited. A range of Mind publications are now available in 20 different languages on the Mind website together with audio recordings of mental health information in five languages.
- Support work is also beginning with refugees and asylum seekers.

We aimed to develop the Legal Advice Line to answer more calls and to reach a more diverse audience of enquirers, but although we worked towards this last year, the implementation started in July 2008.

**A record 31,000 enquiries for Mind*info*Line and Legal Line**

As well as developing legal advice, objectives for the current year include the completion of the review of information to the most marginalised and the launch of Ecominds. Ecominds is an open grant programme of £7.5 million to distribute for projects focussing on mental health and the environment, running over the next five years and funded by the Big Lottery Fund.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Activities, achievements, performance and future plans (continued)

#### Developed organisation

Internally, we aim to create an organisation and culture that is fully equipped to deliver Mind's mission and increase our impact. The internal focus for the year was driven by a staff survey carried out in 2007, and key objectives developed through an Effective People Programme were about developing culture and leadership, and investment in staff and management, and all targets were met. This included the development of diversity champions across Mind to enhance our approach to diversity in all our work.

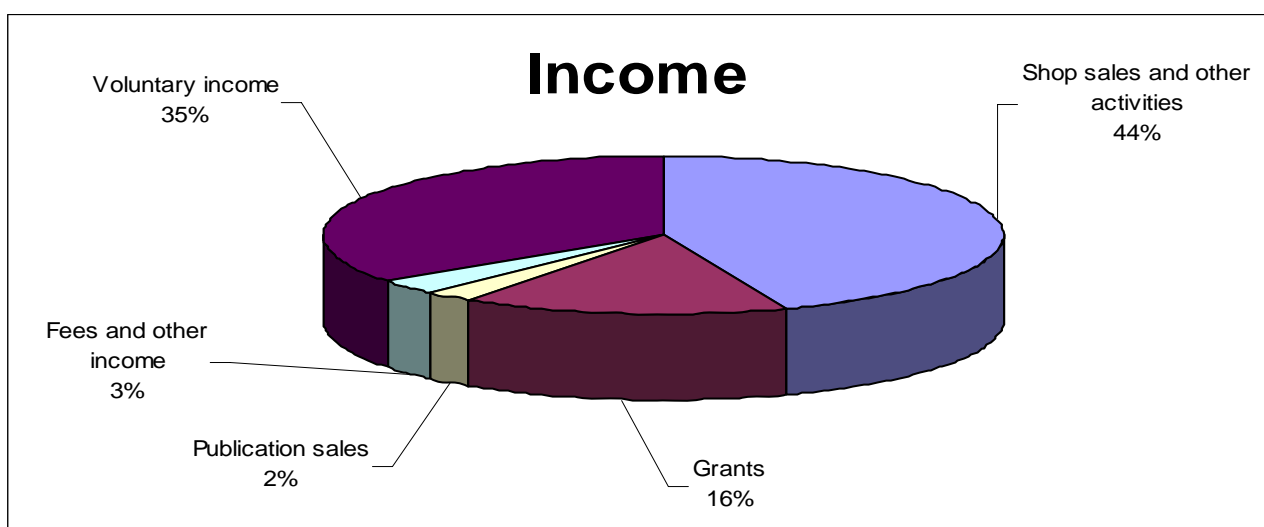
The review of governance agreed in the previous year was approved at Mind's AGM and implemented. There is now a smaller board of 16 trustees, with a new arrangement of committees and stakeholder involvement.

Objectives for the current year include reviewing Mind's membership, strengthening our planning processes and developing our structure and systems.

#### Financial review

Mind has had an excellent financial year, leaving the charity in a stronger position than we had expected. The Statement of Financial Activities (SOFA) for the year is set out within the financial statements.

#### Income



Turnover increased to a record £18.6 million. This was mainly due to high legacy income and the start of the Time to Change programme funded by the Big Lottery Fund and Comic Relief.

Voluntary income of £6.5 million shows a 5% increase on the previous year, mainly to a 35% increase in legacy income to £2.2 million. Donations remain a very competitive market although they improved by 1% on the previous year to £3.7 million, while challenge events dropped with a reduction in the overseas treks in the year.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

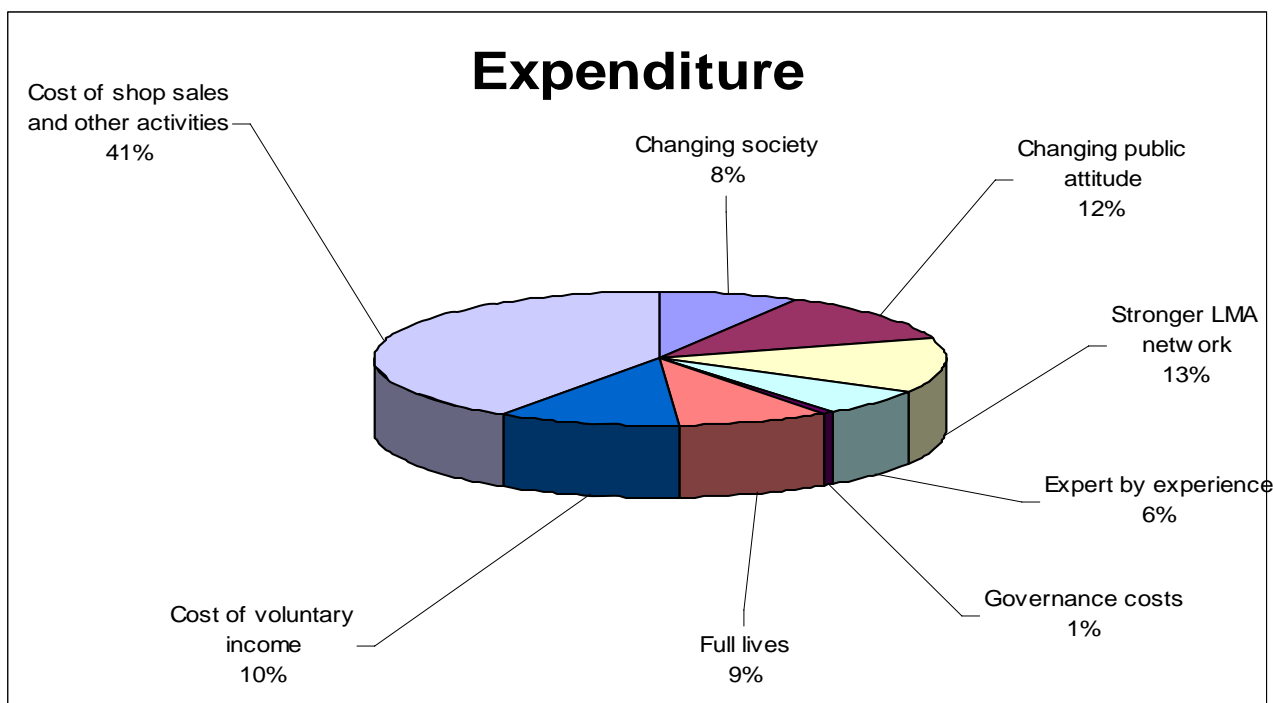
Year ended 31 March 2008

### Financial review (continued)

In activities for generating funds, sales in the Minds Matter charity shops have increased by 5% to £7.6 million, reflecting another good year for the shops.

Income from charitable activities consists mainly of income relating to sale of services, publications, and training and of restricted income for specific work. The latter includes grants from The Welsh Assembly for work in Wales, from the Department of Health under their Opportunities for Volunteering grants scheme and funding for Time to Change.

### Resources expended



### Fundraising costs and performance

Mind continues to rely heavily on voluntary, shop and grant income to enable us to carry out our charitable activities. We have to work hard to raise this income, particularly as mental health is not generally seen by the public as the most attractive cause compared with those of many other charities. This income is crucial so that we can maintain our independence as a campaigning charity.

While the costs of recruiting donors and running shops are high, these remain very effective ways of raising net unrestricted income for Mind to spend on our charitable purpose. The cost ratio of raising voluntary income was 27%, which is comparable to other charities that undertake similar methods of fundraising. While direct mailing and recruiting donors on the street are not the most popular forms of fundraising with some of the public, they do work, bringing in essential voluntary income that Mind needs to carry out our work.

The Minds Matter charity shops brought in a record net profit to the charity of £1,102,000, which was over 2% higher than the previous year.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Financial review (continued)

#### Charitable expenditure

Charitable expenditure increased just over 10% over the previous year to £8.1 million.

**Changing society:** These costs mainly consist of staff working on policy, legal and campaigning objectives and these increased by 5% in the year.

**Changing public attitude:** These costs consist of our communications and press work, website development and promotion materials including a relevant small proportion of our fundraising materials. The increase of 70% in the year is mainly expenditure on the Time to Change programme.

**Stronger LMA network:** Expenditure of £2.2 million is significant and mainly consists of staff working with LMAs and grants paid to LMAs. The slight decrease of 7% is mainly due to some one-off grant monies received in the previous year. Payment direct to LMAs of grants or Time to Change projects totalled £1.1 million, which is 27% higher than the previous year.

**Expert by experience:** The increase in costs of 16% to over £1 million reflects the increase in staff resource in involvement in Mind.

**Full lives:** costs consist of publications including Mind booklets, *Openmind* magazine, MindinfoLine and Information Team, Legal Advice Line, and Conferences and Training. The spend is slightly lower than the previous year, due to lower costs of publications and lower conference costs in the year.

#### Reserves and reserve policy

Overall a surplus was made in the year with net incoming resources of £1.7 million. This was a much more positive result than planned, as a deficit had been budgeted at the beginning of the year. This was due to a certain amount of caution during the year as fundraising income was quite unsettled. In fact the out-turn was better than expected, particularly for legacies, where good news near the end of the year meant income ended up £600k higher than budget.

From this surplus is deducted investment losses of £155,000 and to be added is the actuarial gain on the defined benefit pension scheme of £630,000, as shown in the SOFA. After separating out the designated fixed asset fund representing reserves tied up in tangible assets, and the negative pension reserve, Mind's general reserves increased from £3.2 million to £4 million at the end of the year.

Mind's policy is to maintain general reserves to give financial stability to the charity and to its activities. General reserves exclude restricted funds and reserves invested in tangible fixed assets and they allow Mind to manage the risks that it faces and to fund future work to achieve its aims.

Trustees have reviewed the reserve policy during the year, and are continuing with the policy of setting the level of general reserves for the charity in the range of four to six months' charitable unrestricted expenditure. This would mean a desirable range of £2 million to £3 million at the end of the year, when general reserves were £4 million. We reported last year that we aimed to reduce our reserves to within our agreed range, but with a much improved result from late legacy income and other areas, we did not achieve this. In the current year, we have budgeted for a deficit of almost £1 million to spend some of the reserves, focussing on achieving objectives for the coming year and investing for the future, while exercising some caution given the current economic climate.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Risk management and key policies

#### Risk management

Council has overall responsibility for risk management and trustees review the analysis, assessment and management of risks on an annual basis. Council can provide reasonable assurance that the major risks to which the charity is exposed have been reviewed and systems established, or in some cases planned, to mitigate those risks.

#### Pension provision

Although the final salary scheme is now closed for future accrual, it remains a significant risk for the charity. The deficit as valued by FRS17 is included in the balance sheet as a long-term liability and balanced by a negative pension reserve. This negative reserve is not deducted from general reserves, as the liability is long term, with repayment being spread over the next few years. The triennial valuation continues to be used to calculate the repayments required, and the payments are incorporated into Mind's long-term financial planning, so that these commitments can be met as they fall due in the future.

#### Investment powers, policy and performance

The trustees have the power to invest in such assets as they see fit. Mind has adopted a policy of maximising total return on its investments and investment managers, UBS, advise Mind with the aim of achieving this. In order that Mind is and is seen to be absolutely independent of the medical drug sector, **Mind's ethical policy** is not to hold any direct investment in pharmaceutical companies. To achieve this Mind's investments are in a segregated portfolio rather than a pooled fund.

To measure performance, income targets are set for the year ahead, with capital growth being measured against the FTSE All Share index for equities and the UK Government Security index for fixed interest shares. Investment income was on target. Capital losses over the year were about the same as the market, at 11% compared with an 11% fall in the indices.

In the current year, trustees are carrying out a thorough review of investment strategy, policy and management.

#### Grant-making policies

Mind currently runs three grant making schemes, the LMA grant scheme, the LMA reserve fund and the 'Opportunities for volunteering' scheme. The LMA schemes make grants to LMAs to help promote their development and to build capacity to provide quality services. 'Opportunities for volunteering' is funded by the Department of Health and grants are made to mental health organisations to fund volunteering schemes with the aim of helping people back into work. Mind provides assistance in supporting projects funded by grants, and monitors performance and outcomes on a regular basis.

The Ecominds grants scheme awarded last year, will begin to make grants in the current year. This scheme is funded by the Big Lottery Fund, who carried out an extensive review of Mind's policies and procedures, both current and those planned for Ecominds, and we understand that our procedures and systems are robust.

# Mind (The National Association for Mental Health)

## Report of the Council of Management (continued)

Year ended 31 March 2008

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### Thank you

Mind could not exist without funding from individual donors, companies, trusts, public bodies and other associations, and we thank all for their support.

We would like to record our thanks to all of the staff of Mind, who show much dedication and commitment to their work and to the charity. Also we would like to thank the local Mind associations and their staff and volunteers, for their part in working with Mind to contribute to our shared objectives to improve mental health for everyone.

Mind is also greatly indebted to its volunteers for their commitment, time and skills. In particular the Minds Matter charity shops could not run without the support of some 1,200 volunteers.

There are an increasing number of individuals who carry out voluntary fundraising activities for Mind, often being sponsored for challenging activities such as running marathons or trekking or cycling trips abroad and we thank them all for their support. Also thank you to all the volunteers that help with Mind's work, whether directly helping in Mind's offices or indirectly helping for example by completing surveys or contributing to Mind's campaigns.

### Auditors

A resolution reappointing haysmacintyre will be proposed at the AGM in accordance with S385 (2) of the Companies Act.

On behalf of the Council of Management



**David Henry**  
Chair



**Maureen Dickson**  
Honorary Treasurer

Registered Office  
Granta House  
15–19 Broadway  
Stratford  
London  
E15 4BQ

1 October 2008

# **Mind (The National Association for Mental Health)**

## **Consolidated statement of financial activities**

**Year ended 31 March 2008**

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We have audited the financial statements of Mind (The National Association for Mental Health) for the year ended 31 March 2008 which comprise the Consolidated Statement of Financial Activities, the Charity and Group Balance Sheet, the Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

### **Respective responsibilities of Members of Council and auditors**

As described in the Statement of Responsibilities of Members of Council the group's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees are also directors of Mind (The National Association for Mental Health) for the purposes of company law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Report of the Council of Management is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and other transactions is not disclosed. We read the Report of the Council of Management and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# Mind (The National Association for Mental Health)

## Consolidated statement of financial activities

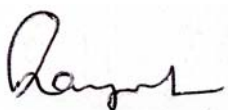
Year ended 31 March 2008

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### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's and group's affairs as at 31 March 2008 and of its incoming resources and application of resources in the year then ended, including its income and expenditure;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Council of Management is consistent with the financial statements.



**haysmacintyre**  
**Registered Auditors**

**Fairfax House**  
**15 Fulwood Place**  
**London**  
**WC1V 6AY**

# Mind (The National Association for Mental Health)

## Consolidated statement of financial activities

Year ended 31 March 2008

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2008 £'000	Total 2007 £'000
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	6,486	31	6,517	6,208
<b>Activities for generating funds</b>					
Shop sales	3	7,643	-	7,643	7,278
Raffle and other activities		447	-	447	232
<b>Total funds generated from activities</b>		<b>8,090</b>	<b>-</b>	<b>8,090</b>	<b>7,510</b>
Investment Income	4	141	2	143	95
<b>Incoming resources from charitable activities</b>					
Changing society		8	245	253	125
Changing public attitude		1	1,360	1,361	78
Stronger LMA network		97	911	1,008	811
Expert by experience		22	280	302	310
Full lives		686	243	929	609
<b>Total incoming resources from charitable activities</b>	5	<b>814</b>	<b>3,039</b>	<b>3,853</b>	<b>1,933</b>
<b>Total incoming resources</b>		<b>15,531</b>	<b>3,072</b>	<b>18,603</b>	<b>15,746</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Voluntary income	6	1,749	-	1,749	1,994
<b>Fundraising trading</b>					
Shop costs	3	6,813	-	6,813	6,361
Raffle and other activities		63	-	63	45
<b>Total costs of generating funds</b>		<b>8,625</b>	<b>-</b>	<b>8,625</b>	<b>8,400</b>
<b>Net incoming resources available for charitable activities</b>		<b>6,906</b>	<b>3,072</b>	<b>9,978</b>	<b>7,346</b>

# Mind (The National Association for Mental Health)

## Consolidated statement of financial activities (continued)

Year ended 31 March 2008

	Note	Unrestricted Funds £'000	Restricted funds £'000	Total 2008 £'000	Total 2007 £'000
<b>Charitable activities:</b>					
Changing society		1,063	264	1,327	1,267
Changing public attitude		1,034	1,048	2,082	1,225
Stronger LMA network		1,616	608	2,224	2,383
Expert by experience		746	303	1,049	907
Full lives		1,347	112	1,459	1,601
<b>Total charitable activities</b>	7	<b>5,806</b>	<b>2,335</b>	<b>8,141</b>	<b>7,383</b>
Governance costs	10	90	-	90	91
<b>Total resources expended</b>		<b>14,521</b>	<b>2,335</b>	<b>16,856</b>	<b>15,874</b>
<b>Net incoming resources</b>		<b>1,010</b>	<b>737</b>	<b>1,747</b>	<b>(128)</b>
<b>Other recognised gains / (losses)</b>					
(Loss)/gains on investments		(155)	-	(155)	77
Actuarial gains on defined benefit pension scheme	23	630	-	630	140
<b>Net movement in funds</b>	12	<b>1,485</b>	<b>737</b>	<b>2,222</b>	<b>89</b>
Balances brought forward		4,647	182	4,829	4,740
<b>Balances carried forward</b>		<b>6,132</b>	<b>919</b>	<b>7,051</b>	<b>4,829</b>

- All transactions are derived from continuing activities.
- All recognised gains and losses are included in the Statement of Financial Activities.

# Mind (The National Association for Mental Health)


## Consolidated balance sheet

At 31 March 2008

	Note	2008		2007	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	14		2,488		2,594
Investments	15		1,242		1,402
Cash held for investment			1,500		-
			<u>5,230</u>		<u>3,996</u>
<b>Current assets</b>					
Stocks		264		290	
Debtors	16	1,867		1,642	
Cash at bank		1,601		1,735	
Cash in hand		91		95	
		<u>3,823</u>		<u>3,762</u>	
<b>Creditors: amounts falling due</b>					
Within one year	17	(1,602)		(1,735)	
<b>Net current assets</b>			<u>2,221</u>		<u>2,027</u>
<b>Total assets less current liabilities</b>			<u>7,451</u>		<u>6,023</u>
<b>Creditors: amounts falling due</b>					
After one year	17		(400)		(1,194)
<b>Net assets</b>			<u><u>7,051</u></u>		<u><u>4,829</u></u>
<b>Funds</b>					
Restricted funds	18		919		182
Unrestricted funds:					
Designated fixed asset fund	19		2,488		2,594
General reserves			4,044		3,247
Pension reserves			(400)		(1,194)
			<u>7,051</u>		<u>4,829</u>

The financial statements were approved and authorised for issue by the Council of Management on 1 October 2008 and were signed below on its behalf by:

  
**Maureen Dickson**  
Honorary Treasurer

  
**David Henry**  
Chair

# Mind (The National Association for Mental Health)

## Balance sheet (charity only)

Year ended 31 March 2008

	Note	2008		2007	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	14		2,488		2,594
Investments	15		1,242		1,402
Cash held for investment			1,500		-
			<u>5,230</u>		<u>3,996</u>
<b>Current assets</b>					
Stocks		121		138	
Debtors	16	1,893		1,486	
Cash at bank		1,318		1,683	
Cash in hand		5		5	
		<u>3,337</u>		<u>3,312</u>	
<b>Creditors: amounts falling due</b>					
Within one year	17	(1,170)		(1,337)	
		<u>(1,170)</u>		<u>(1,337)</u>	
<b>Net current assets</b>					
			<u>2,167</u>		<u>1,975</u>
<b>Total assets less current liabilities</b>					
			<u>7,397</u>		<u>5,971</u>
<b>Creditors: amounts falling due</b>					
After one year	17		(400)		(1,194)
			<u>(400)</u>		<u>(1,194)</u>
<b>Net assets</b>					
			<u><u>6,997</u></u>		<u><u>4,777</u></u>
<b>Funds</b>					
Restricted funds	18		865		130
Unrestricted funds:					
Designated fixed asset fund	19		2,488		2,594
General reserves			4,044		3,247
Pension reserves			(400)		(1,194)
			<u>6,997</u>		<u>4,777</u>

The financial statements were approved and authorised for issue by the Council of Management on 1 October 2008 and were signed below on its behalf by:



Maureen Dickson  
Honorary Treasurer



David Henry  
Chair

# Mind (The National Association for Mental Health)

## Consolidated cash flow statement

Year ended 31 March 2008

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	Note	2008 £'000	2007 £'000	£'000
<b>Net cash inflow from operating activities</b>	A		1,604	529
<b>Returns on investment and servicing of finance</b>				
Income from investments		50	56	
Bank and loan interest received		93	39	
Bank and loan interest paid		-	-	
		<u>          </u>	<u>          </u>	
			143	95
<b>Taxation paid</b>			(1)	(1)
<b>Capital expenditure</b>				
Purchase of tangible fixed assets		(320)	(386)	
Purchase of investments		-	-	
Proceeds from sale of tangible fixed assets		2	-	
Proceeds from sale of investments		5	13	
		<u>          </u>	<u>          </u>	
			(313)	(373)
<b>Increase in cash</b>	B		<u>1,433</u>	<u>250</u>

# Mind (The National Association for Mental Health)

## Notes to the consolidated cash flow statement

Year ended 31 March 2008

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<b>A. Reconciliation of net movement in funds to net cash flow from operating activities</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Net movement in funds	2,222	89
<b>Adjustment for:</b>		
Depreciation charge	403	385
Unrealised loss / (gain) on investments	156	(77)
Realised gain on investments	(1)	-
Realised loss on disposal of tangible fixed assets	21	15
Interest received	(93)	(39)
Income from investments	(50)	(56)
Taxation charge	2	1
	<hr/>	<hr/>
Cash from operations before working capital charge	<b>2,660</b>	<b>318</b>
Decrease/(increase) in stock	26	(28)
(Increase)/decrease in debtors	(225)	673
(Decrease) in creditors	(857)	(434)
	<hr/>	<hr/>
Net cash inflow / outflow from operating activities	<b>1,604</b>	<b>529</b>
	<hr/> <hr/>	<hr/> <hr/>

<b>B. Analysis of net funds</b>	<b>As at 1 April 2007 £</b>	<b>Cash flow £</b>	<b>As at 31 March 2008 £</b>
Cash held for investment	-	1,500	1,500
Cash at bank	1,735	(134)	1,601
Cash in hand	95	(4)	91
Overdraft	(71)	71	-
	<hr/>	<hr/>	<hr/>
	<b>1,759</b>	<b>1,433</b>	<b>3,192</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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### 1. Accounting policy

#### **Basis of accounting**

The financial statements are prepared under the historical cost basis, modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005, revised) and with applicable accounting standards. Where changes to accounting policy have been introduced and prior year adjustments have been made, the financial impact is shown in the notes to the accounts.

#### **Group financial statements**

Group financial statements have been prepared in respect of Mind and its wholly owned subsidiaries Minds Matter (Trading Activities) Limited (see note 13), Mind Fundraising Limited together with the Elliott Charity (a connected Charity), Mary Hemingway Rees Memorial Fund and Mind Death in Service Trust (see notes 26 to 28). Mind Fundraising Limited was dormant during the year. In accordance with Section 230 of the Companies Act 1985, no separate Statement of Financial Activities is presented for Mind. The results are consolidated on a line-by-line basis.

#### **Fund accounting**

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

Unrestricted funds comprise accumulated net movement in general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives.

Designated funds are amounts that have been put aside at the discretion of the Council of Management. At the year end they comprised of a fixed assets fund which represents the extent to which funds are invested in property for use by the charity, and therefore are not available for other purposes.

Pension reserves represent the deficit in the defined benefit pension scheme, which was closed for future accrual on 31 July 2002 (see note 23).

#### **Incoming resources**

Voluntary income is recognised where there is entitlement; certainty of receipts and the amount can be measured with sufficient reliability. Legacies with continuing life interest are not recognised in the financial statements, as they do not meet all these criteria.

Income from shop sales, raffles and other activities are recognised as earned.

Income from investments is recognised on a receivable basis.

Income from charitable activities include income received under contract or sale, or where entitlement to grant funding for specific projects undertaken by the charity is recognised as earned (as the related goods and services are provided). Income from sales of publication and courses are recognised as earned.

Some income from charitable activities including grants income is apportioned between two or more categories of charitable activities on a basis consistent with the use of resources.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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### 1. Accounting policy (continued)

Other incoming resources comprised of one-off and irregular income recognised using the same criteria for voluntary income.

#### **Volunteers and donated services**

The value of services provided by the volunteers is not incorporated in these financial statements. Further details of contributions from volunteers can be found in the Report of the Council of Management.

#### **Resources expended**

Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and as agent is recognised when a constructive obligation arises that result in payments being unavoidable.

Costs of fundraising activities are mostly shown in the costs of raising voluntary income but a small portion is allocated to costs of charitable activities for providing information in an educational manner to raise awareness of mental health issues in furtherance of the charity's objectives. The apportionment is based on an assessment of particular activities.

Costs of generating funds are those costs incurred in attracting voluntary income. Costs of fundraising trading are those incurred in trading activities that raise funds.

Some expenditure for charitable activities is apportioned between two or more categories on a basis consistent with the use of resources.

Support costs are costs of services supplied centrally, which have been allocated to activity cost categories on a basis consistent with the use of resources. For example human resources costs have been allocated by the number of staff whereas office property costs have been apportioned by usage of the floor space.

Governance costs include those incurred in the governance of the charity, its assets and those costs associated with constitutional and statutory requirements.

#### **Taxation**

Irrecoverable VAT is allocated to the same cost heading as the related expenditure.

Tax recovered for voluntary income under gift aid is allocated to the same income heading as the related income.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Stocks of donated goods held in the Minds Matter Charity shops are not valued until they are sold.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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### 1. Accounting policy (continued)

#### Depreciation

All tangible fixed assets, including freehold properties, are stated in the balance sheet at cost, less depreciation. The depreciation of assets is provided in equal annual instalments over the estimated useful lives of the assets at the following rates:

Freehold property	2%
Long leasehold property	2%
Short leasehold property	Over the term of the lease
Office furniture and equipment	10 to 20%
Computer equipment	25%
Motor vehicles	33%

Individual items of capital expenditure in excess of £500 are accounted for as fixed asset additions. Individual items of capital expenditure of £200 or more are accounted for as fixed assets for the trading subsidiary Minds Matter Trading Activities Ltd (MMTA).

#### Investments

Investments are shown at market value. Unrealised gains and losses represent the movement in the market value in the financial year. Realised gains and losses are calculated as the difference between sale proceeds and the market value at the beginning of the financial year. Unrealised and realised gains and losses are shown in the Statement of Financial Activities.

#### Pensions

Employees of the charity are entitled to join the group personal pension scheme. Mind's employer contributions are charged to expenditure in the accounting period in which they are payable.

Mind operated a defined benefit scheme, which was closed for future accrual on 31 July 2002. The assets and liabilities in the scheme are reported in these financial statements as required by FRS17. Please see the pension note (note 23) for more detail.

Employees of the subsidiary Minds Matter Trading Activities Ltd are entitled to join one of their defined contribution pension schemes.

### 2. Voluntary income

	Unrestricted £'000	Restricted £'000	2008 Total £'000	2007 Total £'000
Donations	3,686	31	3,717	3,662
Challenge events	629	-	629	942
Legacies	2,171	-	2,171	1,604
	<u>6,486</u>	<u>31</u>	<u>6,517</u>	<u>6,208</u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 3. Minds Matter charity shop results

Total group results from the charity shops included in these financial statements are shown below, some of which is reported in Minds Matter (Trading Activities) Limited accounts and some in Mind's charity only accounts.

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Sale of goods	7,643	7,278
Other income including donations and rent received	272	160
Costs of selling goods	(6,813)	(6,361)
	<u>1,102</u>	<u>1,077</u>

### 4. Investment income

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>	<b>Total</b>	<b>Total</b>
			<b>£'000</b>	<b>£'000</b>
Interest received	91	2	93	39
Dividends from UK quoted equities	50	-	50	56
	<u>141</u>	<u>2</u>	<u>143</u>	<u>95</u>

### 5. Incoming resources from charitable activities

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>	<b>Total</b>	<b>Total</b>
			<b>£'000</b>	<b>£'000</b>
Government grants	-	864	864	815
Trusts, foundations and other grants	15	2,009	2,024	215
Fees	134	-	134	190
Publication sales	404	-	404	439
Conferences and training	89	-	89	151
Other	172	166	338	123
	<u>814</u>	<u>3,039</u>	<u>3,853</u>	<u>1,933</u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 5. Incoming resources from charitable activities (continued)

The restricted income from charitable activities by funder is as follows:

	2008 £'000	2007 £'000
<b>Welsh Assembly Government</b>		
Grant scheme for Mind Cymru	308	300
ASIST	46	11
Mental Health legislation	12	-
Mental Health First Aid	138	-
Mental Health Promotion Action Plan	-	6
	<u>504</u>	<u>317</u>
<b>Department of Health</b>		
Opportunities for volunteering	485	485
Refugee and asylum seekers	14	-
Advocacy standards	-	18
	<u>499</u>	<u>503</u>
<b>Big Lottery Fund</b>		
Rural Research Project	7	-
Ecominds	80	-
Time to Change	1,053	-
Care evaluation research	101	-
Wellbeing project	-	10
	<u>1,241</u>	<u>10</u>
<b>Comic Relief</b>		
Social enterprise project	60	-
Time to Change	322	-
Wellbeing	-	5
	<u>382</u>	<u>5</u>
<b>Other</b>		
Commission for Social Care Inspection	80	74
Financial Services Authority	28	-
Northern Rock Foundation	71	-
Robert and Rena Lewin Trust	200	-
Other	34	245
	<u>413</u>	<u>319</u>
<b>Total</b>	<u><u>3,039</u></u>	<u><u>1,154</u></u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

6. Cost of generating voluntary income	Unrestricted £'000	Restricted £'000	2008 Total £'000	2007 Total £'000		
Donations	984	-	984	1,266		
Challenge events	476	-	476	475		
Legacies	65	-	65	29		
Support costs allocated	224	-	224	224		
	<u>1,749</u>	<u>-</u>	<u>1,749</u>	<u>1,994</u>		
	<u><u>1,749</u></u>	<u><u>-</u></u>	<u><u>1,749</u></u>	<u><u>1,994</u></u>		
7. Resources expended on charitable activities	Activities undertaken directly £'000	Grant and other funding of activities £'000	Support costs £'000	2008 Total £'000	2007 Total £'000	
Changing society	1,041	-	286	1,327	1,267	
Changing public attitude	1,906	-	176	2,082	1,225	
Stronger LMA network	495	1,442	287	2,224	2,383	
Expert by experience	866	-	183	1,049	907	
Full lives	1,168	-	291	1,459	1,601	
	<u>5,476</u>	<u>1,442</u>	<u>1,223</u>	<u>8,141</u>	<u>7,383</u>	
	<u><u>5,476</u></u>	<u><u>1,442</u></u>	<u><u>1,223</u></u>	<u><u>8,141</u></u>	<u><u>7,383</u></u>	
8. Support costs	Management	Finance, IT and Office Service	Property costs	Human Resources	2008 Total	2007 Total
Basis of apportionment	Staff £'000	Staff £'000	Area £'000	Staff £'000	Costs £'000	Costs £'000
<b>Charitable activities</b>						
Changing society	3	138	74	71	286	282
Changing public attitude	2	96	29	49	176	179
Stronger LMA network	3	155	49	80	287	340
Expert by experience	2	84	54	43	183	172
Full lives	2	118	110	61	291	253
	<u>12</u>	<u>591</u>	<u>316</u>	<u>304</u>	<u>1,223</u>	<u>1,226</u>
<b>Income generation</b>						
Voluntary income	2	107	60	55	224	224
Raffle and other activities	-	4	2	2	8	10
	<u>14</u>	<u>702</u>	<u>378</u>	<u>361</u>	<u>1,455</u>	<u>1,460</u>
	<u><u>14</u></u>	<u><u>702</u></u>	<u><u>378</u></u>	<u><u>361</u></u>	<u><u>1,455</u></u>	<u><u>1,460</u></u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 9. Staff costs

	Group	
	2008	2007
	£'000	£'000
Wages and salaries	6,352	5,877
Social security costs	554	510
Other pension contributions	510	489
	<u>7,416</u>	<u>6,876</u>

Other pension contributions are made up as follows:

	2008	2007
	£'000	£'000
Mind defined benefit scheme costs	56	49
Mind defined contribution scheme	426	416
Minds Matter defined contribution schemes	28	24
	<u>510</u>	<u>489</u>

See note 23 for more information on the pension schemes.

The average number of full time employees during the year was:

	2008	2007
	Number	Number
Shops	287	276
Changing society	19	18
Changing public attitude	13	11
Stronger LMA network	22	22
Expert by experience	12	11
Full lives	16	16
Income generation and governance	38	36
	<u>407</u>	<u>390</u>

### Higher paid employees

The numbers of employees whose emoluments (including salary and taxable benefits but excluding employer's pension contributions) for the year fell within the following bands were:

	Group	
	2008	2007
	Number	Number
£60,000 to £69,999	4	3
£70,000 to £79,999	-	3
£80,000 to £89,999	1	-
£90,000 to £99,999	1	-
	<u>7</u>	<u>6</u>

Total employer contribution paid to the pension schemes for the above employees

2008	2007
£'000	£'000
46	32

No higher paid employees had benefit accruing under the defined benefit scheme.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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<b>10. Governance costs</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Membership and committees	37	47
Audit costs for the charity	19	18
Management support costs	34	26
	<u>90</u>	<u>91</u>

### 11. Council of Management emoluments and reimbursed expenses

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Total expenses relating to travel and subsistence	14	16
	<b>Number</b>	<b>Number</b>
Number of trustees reimbursed	14	16
Number of trustees	18	18

#### Trustee remuneration

No remuneration has been paid to trustees in the year.

#### Related party transactions

Mind does not have any related party transactions to disclose under FRS 8.

<b>12. Net Movement in Funds</b>	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
Net Movement in Funds is stated after charging:		
Depreciation	403	385
Auditors' remuneration	26	25
Other financial services by Auditors		
Tax services	2	3
Payroll administration	17	17
Operating lease: Land and buildings	1,809	1,721
Operating lease: Equipment and motor vehicles	110	126
	<u>110</u>	<u>126</u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 13. Results from trading subsidiary:

<b>Minds Matter (Trading Activities) Ltd.</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Turnover	7,121	6,737
Cost of sales	(831)	(692)
Gross profit	6,290	6,045
Other operating income	138	57
Operating expenses and administration costs	(5,687)	(5,413)
Interest receivable	15	5
Profit for the year	756	694
Gift aid payable to Mind	(754)	(693)
Taxation	(2)	(1)
Profit for the year	-	-

### 14. Tangible fixed assets

<b>Group</b>	<b>Freehold properties £'000</b>	<b>Long leasehold properties £'000</b>	<b>Short-term leasehold properties £'000</b>	<b>Furniture, Equipment and vehicles £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At 1 April 2007	219	1,438	370	3,787	5,814
Additions at cost	-	-	20	300	320
Disposals	-	-	(19)	(624)	(643)
At 31 March 2008	219	1,438	371	3,463	5,491
<b>Depreciation</b>					
At 1 April 2007	25	294	249	2,652	3,220
Charge for year	4	30	29	340	403
Disposals	-	-	(19)	(601)	(620)
At 31 March 2008	29	324	259	2,391	3,003
<b>Net book value</b>					
At 31 March 2008	190	1,114	112	1,072	2,488
At 31 March 2007	194	1,144	121	1,135	2,594

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 14. Tangible fixed assets (continued)

Mind charity only	Freehold properties	Long leasehold properties	Short-term leasehold properties	Furniture, Equipment and vehicles	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At 1 April 2007	219	1,438	281	3,361	5,299
Additions at cost	-	-	20	300	320
Disposals	-	-	(11)	(591)	(602)
At 31 March 2008	219	1,438	290	3,070	5,017
<b>Depreciation</b>					
At 1 April 2007	25	294	159	2,227	2,705
Charge for year	4	30	29	340	403
Disposals	-	-	(11)	(568)	(579)
At 31 March 2008	29	324	177	1,999	2,529
<b>Net book value</b>					
At 31 March 2008	190	1,114	113	1,071	2,488
At 31 March 2007	194	1,144	122	1,134	2,594

### 15. Investments

All investments are held by Mind and are quoted and dealt on a recognised stock exchange.

	2008 £'000	2007 £'000
Market value brought forward from previous year	1,402	1,338
Disposals	(4)	(13)
	1,398	1,325
Net unrealised gain/(loss) on revaluation	(156)	77
Market value carried forward	1,242	1,402

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 16. Debtors

	Group		Mind	
	2008	2007	2008	2007
	£'000	£'000	£'000	£'000
Amount due from subsidiary undertaking	-	-	578	288
Other debtors	111	125	88	95
Prepayments and accrued income	1,756	1,517	1,227	1,103
	<u>1,867</u>	<u>1,642</u>	<u>1,893</u>	<u>1,486</u>

### 17. Creditors

	Group		Mind	
	2008	2007	2008	2007
	£'000	£'000	£'000	£'000
<b>Amounts falling due within one year</b>				
Bank overdraft	-	71	-	-
Trade creditors	391	336	226	270
Other creditors	53	210	52	209
Income tax and social security	202	181	141	122
Other taxes	2	1	-	-
Accruals and deferred income	954	936	751	736
	<u>1,602</u>	<u>1,735</u>	<u>1,170</u>	<u>1,337</u>
<b>Amounts falling due in more than one year</b>				
Pension deficit	400	1,194	400	1,194
	<u>2,002</u>	<u>2,929</u>	<u>1,570</u>	<u>2,531</u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

### Year ended 31 March 2008

#### 18. Restricted funds by activity

	Balance at 1 April 2007 £'000	Incoming Resources £'000	Resources expended £'000	Balance at 31 March 2008 £'000
Mind Cymru	-	308	(308)	-
Opportunities for volunteering	12	485	(463)	34
ASIST	-	48	(48)	-
Mental Health First Aid	-	138	(55)	83
Ecominds	-	80	(80)	-
Time to Change	-	1,375	(991)	384
Care Evaluation research	-	101	(78)	23
Service Development	-	71	(10)	61
Business Booster	-	60	(27)	33
Arts Project	51	-	(51)	-
Expert by experience	16	81	(97)	-
LMA Reserve Fund	-	200	-	200
Other	51	123	(127)	47
	<u>130</u>	<u>3,070</u>	<u>(2,335)</u>	<u>865</u>
Mind restricted funds	130	3,070	(2,335)	865
The Elliott Charity	37	2	-	39
Mary Hemingway Rees Memorial Fund	15	-	-	15
	<u>182</u>	<u>3,072</u>	<u>(2,335)</u>	<u>919</u>
Group restricted funds	182	3,072	(2,335)	919

Restricted grants are received from a variety of sources including government, local authorities and trusts and foundations.

The grants received for Mind Cymru from the Welsh Assembly Government fund a significant part of our work in Wales.

The 'Opportunities for volunteering' grant is an initiative of the Department of Health to provide grants to smaller organisations in England to enable them to involve volunteers in their work.

ASIST provides practical training for caregivers seeking to prevent the immediate risk of suicide. Mind Cymru is delivering the project with funding from the Welsh Assembly Government to provide training in Wales.

The Mental Health First Aid project aims to recruit and train people to become instructors who will deliver courses in their local areas on approaches to common mental health issues. Mind Cymru is delivering the project with funding from the Welsh Assembly Government.

Ecominds is a £7.8m grant-giving scheme, which will give grants to environmental projects that promote the integration of people with experience of mental distress into the community. The project is funded by the Big Lottery Fund and will be formally launched in 2008.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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### 18. Restricted funds (continued)

The Time to Change project aims to create a measurable shift in public attitude and a genuine reduction in discrimination linked to mental health and to improve people's physical and mental wellbeing. The project was launched in the year and is jointly funded by the Big Lottery Fund and Comic Relief, funding a number of national and local projects. Mind is the lead agency in relation to the funders and is managing and delivering Time to Change programme together with Mental Health Media, Rethink and the Institute of Psychiatry, Kings College London. The local projects are carried out by some LMAs and local Rethink services.

The Care Evaluation Research project is a joint initiative with the Department of Primary Care and Population Sciences and the University College Medical School (UCL) as research partners, funded by the Big Lottery Fund. The project is undertaking a four year medical and social research project to evaluate the benefits of structured, proactive care for chronic depression in primary care.

The Service Development project funded by Northern Rock will enhance the development and capacity of LMAs in the North of England through developing a range of tools and financial and governance systems designed specifically to address the challenges they face. LMAs will also be enabled to have increased influence on local and regional practices in their area.

The Business Booster project funded by Comic Relief is building on a similar project completed in the past in developing a model for social enterprise as a route for mental health service users to gain paid employment.

The Arts project, partly funded by Lankelly, brought together a number of artists who are mental health service users / survivors to depict their journey through mental distress and the psychiatric system. The arts were shown in a single installation in East London in 2007.

The Expert by experience project recruited and trained service users to take part in the inspections of service provisions carried out by the Commission for Social Care Inspection.

The LMA Reserve Fund provides grants up to £5,000 for capital, capacity building and development activities to Mind's network of local Mind associations. At times, we receive grants and donations for the schemes. The Robert and Rena Lewin Trust has given £200k for the scheme in our financial year 2008.

The other grants fund parts of our operational activities and have been categorised into the main areas of activities.

<b>19. Designated funds</b>	<b>At 1 April 2007 £'000</b>	<b>New designations £'000</b>	<b>At 31 March 2008 £'000</b>
Fixed asset fund	2,594	(106)	2,488

The fixed asset fund represents the designated fund (see note 1). The fund is utilised over its economic life in accordance with our depreciation policy.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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<b>20. Analysis of group net assets</b>	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total Funds £'000</b>
<b>Fund balances at 31 March 2008 are represented by:</b>			
Tangible fixed assets	2,488	-	2,488
Investments	1,242	-	1,242
Cash held for investment	1,500	-	1,500
Current assets	2,788	1,035	3,823
Current liabilities	(1,486)	(116)	(1,602)
Long term liabilities	(400)	-	(400)
	<u>6,132</u>	<u>919</u>	<u>7,051</u>

## 21. Investment in subsidiary undertakings

<b>Name of subsidiary</b>	<b>Holding</b>	<b>Proportion of voting rights</b>
Minds Matter (Trading Activities) Ltd	2 ordinary shares of £1 each	100%
Mind Fundraising Limited	1 ordinary share of £1	100%

Mind Fundraising Limited is dormant.

## 22. Share capital

The company is limited by guarantee and has no share capital. The liability of the members is limited to the sum of £1 per member.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

### Year ended 31 March 2008

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#### 23. Pension commitments

Mind operates a group personal pension scheme, and contributions are charged to expenditure in the accounting period in which they are payable. Charges in the year were £426,000 (2007: £416,000) excluding the charges to the defined benefit scheme.

The trading subsidiary, Minds Matter (Trading Activities) Ltd, operates two defined contribution pension schemes. Contributions are charged to expenditure in the accounting period in which they are payable. Charges in the year were £28,000 (2007: £24,000).

#### Defined benefit scheme

Mind operates a defined benefit scheme, which was closed for future accrual on 31 July 2002. The assets of the scheme are held by The Pensions Trust on behalf of the members and are invested on behalf of The Pensions Trust by designated Fund Managers. The scheme was not contracted out of the state second-tier of pension provision. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The most recent formal valuation was as at 30 September 2007 and this valuation is still being finalised. The previous valuation was as at 30 September 2004. The main actuarial assumptions in 2004 were that the investment returns would be 6.3 per cent per annum, and that present and future pensions would increase at the rate of 2.5 per cent per annum. The valuation showed that the market value of the scheme's assets was £3,895,000 and that this fund value was less than the benefits that had accrued to members, after allowing for expected future increases in earnings. The funding level was 74 per cent.

The deficiency will be made up by payments over the expected future working lifetime of the current members, which together with scheme expenses requires employers' contributions of £220,000 per annum. This payment is paid monthly and will be made over ten years to eliminate the deficit, but is being reviewed again when the latest valuation as at 30 September 2007 is finalised.

The Mind defined benefit pension scheme was professionally valued as at 31 March 2008 in accordance with FRS17 as follows:

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net pension deficit at 31 March:</b>		
Market value of scheme assets	5,429	5,330
Present value of scheme liabilities	(5,829)	(6,524)
	<u>(400)</u>	<u>(1,194)</u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 23. Pension commitments (continued)

Asset	2008		2007	
	Expected rate of return % pa	Value £'000	Expected rate of return % pa	Value £'000
Equities	8.00	1,978	8.00	2,569
Bonds	4.40	3,403	5.00	2,515
Other	5.25	48	5.25	246
		<u>5,429</u>		<u>5,330</u>

Actuarial assumptions used:	2008 % pa	2007 % pa
Rate of increase of pensions	2.9%	2.8%
Discount rate	6.6%	5.4%
Retail price inflation	2.9%	2.8%
Deferred pension revaluation	5.0%	5.0%

The following amounts have been recognised in the financial statements under the requirements of FRS17:

	2008 £'000	2007 £'000
<b>Amount charged to functional cost categories</b>		
Current service cost	(48)	(40)
Interest cost	(352)	(326)
Expected return on assets	344	317
Net amount charged to expenditure	<u>(56)</u>	<u>(49)</u>
<b>Actuarial gains / (losses)</b>		
Loss on assets	(237)	(124)
Loss arising on Scheme Liabilities	(190)	-
Gain on change of assumptions	1,057	264
Actuarial gains charged to the Statement of Financial Activities	<u>630</u>	<u>140</u>

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

### 23. Pension commitments (continued)

<b>Analysis of movement in deficit</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Deficit at the beginning of year	(1,194)	(1,505)
<b>Movement in year :</b>		
Current service cost	(48)	(40)
Contributions paid by charity	220	220
Other finance income	(8)	(9)
Actuarial gains	630	140
Deficit at end of the year	<u>(400)</u>	<u>(1,194)</u>

<b>Recognised gains</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
Actual return less expected return on scheme assets	(237)	(124)
Changes in assumptions underlying the present value of the scheme liabilities	867	264
Actuarial gain charged to Statement of Financial Activities	<u>630</u>	<u>140</u>

<b>History of experience gains and (losses)</b>	<b>2008 £'000</b>	<b>2007 £'000</b>	<b>2006 £'000</b>	<b>2005 £'000</b>
<b>Difference between expected and actual return on scheme assets:</b>				
Amount	(237)	(124)	569	155
% of scheme assets	(4.4%)	(2.3%)	11.0%	3.7%
<b>Experience gains / (losses) on scheme liabilities</b>				
Amount	(190)	-	-	259
% of scheme assets	3.3%	-	-	4.6%
<b>Total actuarial gain / (losses) recognised</b>				
Amount	630	140	(212)	536
% of scheme assets	10.8%	2.1%	(3.2%)	9.4%

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

24. Operating lease commitments	Land and buildings		Equipment and motor Vehicles	
	Group £'000	Mind £'000	Group £'000	Mind £'000
Annual commitments under operating leases expiring:				
Within one year	55	51	3	1
In the second to fifth year	939	815	97	51
After five years	683	660	-	-
	<u>1,677</u>	<u>1,526</u>	<u>100</u>	<u>52</u>

### 25. Grants and other distributions to institutions

	LMA £'000	Other £'000	Total 2008 £'000	Total 2007 £'000
Opportunities for Volunteering	393	24	417	454
LMA grant scheme	169	-	169	155
LMA reserve fund	58	-	58	127
	<u>620</u>	<u>24</u>	<u>644</u>	<u>736</u>
Time to Change projects	315	483	798	-
Other distributions	176	-	176	187
	<u>1,111</u>	<u>507</u>	<u>1,618</u>	<u>923</u>

The 'Opportunities for volunteering' scheme is funded by the Department of Health and makes grants to local Mind associations and other community mental health groups, to set up and run projects offering a wide variety of innovative and valuable local mental health services. Typically, Mind's projects will recruit volunteers who are frequently people with experience of mental distress. Projects provide volunteers with support and training, and can also provide a social network, peer support and often a route into employment. Mind is one of 17 National Agents for the scheme.

The LMA grant scheme and LMA Reserve Fund provide grants of up to £5,000 exclusively to affiliated local Mind associations, for capacity building and development activities, and for capital items. Grants are made under a range of ring-fenced areas which this year includes General (including information technology), Campaigning and diversity, LMA assistance and User Bursaries. Over 80% of LMAs have benefited from the funds.

The Time to Change project is funded the Big Lottery Fund and payments were distributed to local Mind associations and other institutions (see the list below) who are taking part in the delivery of the project.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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### 25. Grants and other distributions to institutions (continued)

Grants made to institutions in the 2008 financial year varied from £1k to £163k, and were made to the following institutions:

#### Opportunities for volunteering

Carlisle Mind  
Chester-le-street Mind  
Derwentshire Mind Befriending Scheme  
Grimsby, Cleethorpes and District Association  
Harborough and District Mind  
Hunts Mind  
Lambeth Mind  
Mid Staffs Mind  
Milton Keynes Mind

Mind in Gateshead  
Mind in Harrow  
North Staffordshire Mind  
Oxfordshire Mind  
Rushden Mind  
Scarborough and Ryedale Mind  
Sunderland Mind  
Volunteer Centre- Swindon  
West Suffolk Mind

#### LMA grant scheme

Bassetlaw Mind  
Blaenau Gwent Mind  
Chester-le-Street Mind  
Chorley and South Ribble Mind Ltd  
Dartford, Gravesham and Swanley Mind  
Derwentside Mind  
Eden Mind  
Folkestone and District Mind  
Great Yarmouth and Waveney Mind  
Greenwich Mind  
Grimsby Cleethorpes and District Mind  
Hammersmith and Fulham Mind  
Harlow Mind  
Havering Mind  
Herts Mind Network Ltd  
Hull and East Yorkshire Mind  
Maidstone Mind  
Mid Warwickshire Mind  
Mind In Barnsley  
Mind In Enfield

Mind In Harrow  
Mind in Mid Herts  
Mind Ynys Mon  
Neath Mind  
North East Lancashire Mind  
Northampton and District Mind  
Restormel Ass. For Mental Health  
Richmond Borough Mind  
Scarborough Whitby and Ryedale Mind  
Sheffield Mind Ltd  
Shropshire Mind  
South Somerset Mind  
Spelthorne Mental Health Association  
Stockport and District Mind  
Uttoxeter Mind  
Washington Mind  
Westminster Amh  
Winsford Mind  
Wrexham Mind  
Wycombe Mind

#### LMA reserve fund

Blaenau Gwent Mind  
Chorley and South Ribble Mind Ltd  
Derwentside Mind  
Eden Mind  
Great Yarmouth and Waveney Mind  
Greenwich Mind  
Mid Warwickshire Mind  
Mind Ynys Mon  
Neath Mind

Mind In Sedgemoor  
Oxfordshire Mind  
Scarborough Whitby and Ryedale Mind  
Spelthorne Mental Health Association  
Stockport and District Mind  
West Suffolk Mind  
Wrexham Mind  
Wycombe Mind

# Mind (The National Association for Mental Health)

## Notes to the financial statements

Year ended 31 March 2008

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### 25. Grants and other distributions to institutions (continued)

#### Time to Change

Mental Health Media	Milton Keynes Mind
Rethink	Mind in Brighton and Hove
Institute of Psychiatry, Kings College London	Mind in Croydon
	Mind In Harrow
Andover Mind	Mind In Mid Herts
Bedfordshire and Luton Mind	Newark Mind
Brent Mind	North East Lancashire Mind
Carlisle Mind	Sheffield Mind
Derbyshire Mind	Solent Mind
Eden Mind	Solihull Mind
Herefordshire Mind	South Somerset Mind
Hull and East Yorkshire Mind	West Norfolk Mind
Hunts Mind	Woking Mind

### 26. The Elliott Charity

Mind is Trustee for the Elliot Charity. The figures below have been included in the consolidated accounts in restricted funds.

	2008 £'000	2007 £'000
<b>Net assets</b>		
Cash at bank	39	37
	<u>          </u>	<u>          </u>
<b>Funds</b>		
Balance at 1 April	37	36
Bank deposit interest	2	1
	<u>          </u>	<u>          </u>
Balance at 31 March	39	37
	<u>          </u>	<u>          </u>

The fund makes grants to provide training and personal development opportunities for persons employed wholly or partially or recently in the field of mental health. There are activities planned for the next two years, which will use these funds.

# Mind (The National Association for Mental Health)

## Notes to the financial statements

### Year ended 31 March 2008

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#### 27 Mary Hemingway Rees Memorial Fund

Mind is the trustee of this trust. The figures below have been included in the consolidated accounts in restricted funds.

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
<b>Net assets</b>		
Cash at bank	15	15
	<u>15</u>	<u>15</u>
<b>Funds</b>		
Balance at 1 April	15	15
	<u>15</u>	<u>15</u>
Balance at 31 March	15	15
	<u>15</u>	<u>15</u>

Interest of £364 was earned in the year, but does not appear due to the rounding to thousands.

The Trust gives grants towards speaker's expenses, for lectures on mental health and spiritual values usually organised by the World Federation for Mental Health, as a memorial to the late Dr Mary Hemingway Rees. There are activities planned for the next two years, which will use these funds.

#### 28 Mind Death in Service Trust

Mind Death in Service is a trust set up for the benefit of the beneficiaries of employees who die while in Mind's employment. The figures below have been included in the consolidated accounts in restricted funds.

	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b>
<b>Net assets</b>		
Cash at bank	-	-
	<u>-</u>	<u>-</u>
<b>Funds</b>		
Receipt in the year	-	110
Payment in the year	-	(110)
	<u>-</u>	<u>-</u>
Balance at 31 March	-	-
	<u>-</u>	<u>-</u>

# Mind (The National Association for Mental Health)

## Acknowledgement

Year ended 31 March 2008

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### Supporting Mind

Without the generous support of charitable trusts and foundations, companies and organisations and individuals, we would not be able to continue our vital work in improving the quality of life of people who experience mental distress. We would like to thank and make special mention of the following:

#### Trusts and foundations

Bergqvist Charitable Trust	The J E Posnansky Charitable Trust
CHK Charities Limited	The J P Jacobs Charitable Trust
George and Esme Pollitzer Charitable Settlement	The James Weir Foundation
John Cutforth Charitable Trust	The Jean L Ward Trust
Kenrob Charitable Trust	The John Ellerman Foundation
Miss E A Pemberton Barnes Will Trust	The Jusaca Charitable Trust
Oppenheimer Charitable Trust	The Kay Williams Charitable Foundation
Peter Storrs Trust	The Kinsbourne Trust
Richard Cadbury Charitable Trust	The Lloyd-Everett Trust
Sir John Sumner's Trust	The Lynn Foundation
Smith Charitable Trust	The Mackinnon Trust
The 1970 Trust	The Marjorie and Edgar Knight Charitable Trust
The Albert Hunt Trust	The Norman Family Charitable Trust
The Alchemy Foundation	The Norton Rose Charitable Foundation
The Ashfield Trust	The Nuffield Foundation
The Charlie Waller Memorial Trust	The Nyda and Oliver Prenn Foundation
The Cheruby Trust	The Pritchard-Gordon Charitable Trust
The Constance Travis Charitable Trust	The Robert and Rena Lewin Charitable Trust
The Empire Schizophrenia Trust	The Roger Raymond Charitable Trust
The Francis Wallis Charitable Trust	The Sir Edward Lewis Foundation
The Frank Pearson Foundation	The Sir Jules Thorn Charitable Trust
The Gilbert Edgar Trust	The Thomas Lilley Memorial Trust
The GMC Trust	The Tolkien Trust
The Guiting Trust	The Towry Law Charitable Trust
The Gunter Charitable Trust	The Valerie Callis Charitable Trust
The Hanley Trust	The Weinstock Fund
The Hope Trust	The William Arthur Rudd Memorial Trust
The Hospital Saturday Fund Charitable Trust	The Wright Trust
The I Vassiliou Charitable Trust	The Wyseliot Charitable Trust
The Ian Askew Charitable Trust	

# Mind (The National Association for Mental Health)

## Acknowledgement

Year ended 31 March 2008

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### Supporting Mind (continued)

#### Companies and organisations

Beachcroft LLP

Cambridge Student's Rag Appeal

Capital International

Cragg Ross Dawson

Deloitte & Touche LLP

Ebeni Limited

Erskine Stewart's Melville Schools

Euro RSCG London

Guardian Newspaper

Katherine Lady Berkeley's School

London Graphic Supplies T/A Red Box

Mirror Group

Modus Publicity Ltd

N M Rothschild & Sons Ltd

NB Real Estate

New Philanthropy Capital

Paradigm Secure Communications Limited

RAOB Edmund Cathery Lodge

Royal Bank Of Scotland

St Georges Hospital Medical School

Taverners Golf Society

Telecoms Strategy Consultants Ltd

University of Plymouth

Viasat Broadcasting UK Ltd

Wedding List Giving

Workstation

#### Other

Big Lottery Fund

Comic Relief

Commission for Social Care Inspection

Department of Health

Financial Services Authority

Northern Rock Foundation