



**For better
mental health**

Mind (The National Association for Mental Health)

Report and financial statements

For the year ended

31 March 2009

Company number: 424348

Charity number: 219830

Granta House, 15-19 Broadway, Stratford, London E15 4BQ

www.mind.org.uk

Mind (The National Association for Mental Health)

Report of the Council of Management

Year ended 31 March 2009

Patron

HRH Princess Alexandra, The Hon. Lady Ogilvy KG GCVO

President

The Rt Hon. the Lord Bragg

Vice Presidents

Mary Applebey 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 2009 and changes to 30 September 2009

Honorary Officers

David Henry ♦ ⊗ # + *

Chair and co-opted trustee

Alison Cowan ♦ + *

Vice Chair-External Relations and co-opted trustee

Ryan Campbell ⊗ *

Vice Chair-Networks and elected trustee

Michael Starkie # + *

Treasurer and co-opted trustee (from 1 September 2009)

Trustees co-opted by Council

Divya Gandhi (from 3 December 2008)

Kay Sheldon ♦

Lesley Dixon # + (from 3 December 2008)

Neil Rodgers ⊗ (from 3 December 2008, previously Chair of Mental Health Media)

Robert Williams ⊗ (from 3 December 2008)

Trustees elected

Christina Richards ♦

Eileen Wareham # >

Jane Ross # *

Liz Aram ♦

Richard Jackson ♦

Shaun Johnson ♦

Steve Young ⊗

Sub-committee membership of Council of Management

♦ External Relations > Pwyllgor Cymru

⊗ Networks + Audit

Business Management * Remuneration

Other trustees who served during the year to 31 March 2009

Maureen Dickson, Treasurer (to 26 March 2009)

Brian Lummis (to 1 December 2008)

Gillian Bausor (to 1 December 2008)

Keith Cornford, Vice Chair-Networks (to 1 December 2008)

Mike Walker (to 1 December 2008)

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 2009

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 2009.

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.

Activities and public benefit

To achieve its mission, Mind campaigns on behalf of people with mental health problems, provides support for the independently run 182 local Mind associations, and provides direct information through telephone helplines, publications and website.

Mind's beneficiaries include the one in four who experience mental distress in any one year and the wider population of England and Wales whose wellbeing we aim to improve and maintain.

Mind's trustees confirm that the activities of the charity are carried out, in line with its objectives, for the benefit of the public, and the impact of our work on our beneficiaries is a key criterion when deciding what activities to undertake and how best to achieve our mission. Mind's trustees therefore confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Organisational 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 and The Mary Hemingway Rees Memorial Fund.

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 does this through some 109 charity shops and gifts its profits to Mind. Mind Fundraising Limited was dormant during the year, as all Mind's fundraising activities are currently carried out in the charity in a tax-efficient way.

The Mind network consists of Mind together with about 182 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 £87 million, which together with that of Mind of £25 million gives the total Mind network gross income of £112 million.

Mental Health Media and Mind merged on 31 December 2008. Mental Health Media were a small mental health charity that championed mental health service users to develop their voice and to be heard, a mission very closely aligned with that of Mind. We have worked closely with them as partners in the Time to Change programme. Mental Health Media were finding that as a small charity too much time was being spent on fundraising rather than creatively carrying out their charitable activities. The merger was accomplished with a transfer to Mind of the business, activities, staff and assets of Mental Health Media, and the work and spirit of Mental Health Media continues within Mind, with their creativity and innovative style of working influencing and benefiting our work overall.

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 include so far as it is practicable:

- 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 and reviewed each year.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Governance and management (continued)

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, legal and information work. Networks Committee has oversight of support of LMAs and other networks, involvement, 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. Staff are led by the Chief Executive through six directorates: External Relations, Network Support, Business Development, Mind Cymru, Fundraising, and Finance and Resources.

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.

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.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Activities, achievements, performance and future plans

Strategy and impact

Mind's strategic plan consists of five goals and the performance and impact of activities are noted below in a section for each. To measure our performance in these, Council monitor and evaluate progress and outcomes quarterly against planned milestones and using 27 key performance indicators. The nature of much of our work is long term, so annual reporting reflects part of longer term achievements and impact.

1. Changing society

Changing society: Mind will influence and change public attitudes and government policy and practice towards people with mental distress. For the financial statements this goal has a significant amount of resource allocated, so we report under changing public attitudes and changing policy and practice.

Changing society: changing public attitude – Time to Change

Mind will influence and change public attitudes towards people with mental distress.

The Time to Change programme to significantly shift attitudes towards mental health problems and reduce discrimination had a very successful first full year. Prime Minister Gordon Brown, David Cameron and Nick Clegg joined other MPs in pledging support for government to endorse the campaign. The programme runs to 2012 and is funded by the Big Lottery Fund and Comic Relief and is run by a partnership of Mind (now incorporating Mental Health Media) and Rethink, and is evaluated by the Institute of Psychiatry at King's College, London. Mind is the lead partner in terms of the funding relationships and employs the central team who oversee the programme of 35 projects, so the whole programme is reflected in these financial statements.

Time to Change makes an excellent start to tackle stigma and discrimination

Get Moving, one of the Mind projects for Time to Change, ran mass participation events in October 2008, to reduce stigma through mental and physical wellbeing. These involved over 12,500 people and engaged a wide range of organisations including the Eden Project, Natural England and BTCV.

Also for Time to Change, Mental Health Media brought the Open Up project into Mind, Rethink launched the media campaign in January 2009 which met or exceeded its targets for being well recognised and changing attitudes, and several local projects are being delivered by LMAs and Rethink branches.

Mind continues to work to change attitudes through our campaigning and media work, and on mental health our spokespeople have a high profile in all major media. We have recruited a number of celebrity ambassadors such as Stephen Fry and Alastair Campbell, who continue to speak out and broadcast on issues of mental distress.

Key objectives for the coming year are: continue Time to Change to achieve a 5% positive shift in attitudes and a 5% reduction in discrimination by 2012; run Get Moving events with 27,000 people involved; continue Open Up to increase general understanding of mental health through individual story lines; fuller participation in the whole Time to Change programme from Mind and our networks; continuing to develop awareness of mental health issues through maximising Mind's media profile.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Activities, achievements, performance and future plans (continued)

Changing society: changing policy and practice

This objective has a focus on our campaigning and legal work in influencing and changing the policy and practice of government and decision-makers that affect people with mental distress. Mind continues to be seen as an influential commentator on mental health issues, and regularly meets with political leaders and ministers to progress our campaigns.

This year has seen a significant number of positive policy outcomes, and the achievements against our plan include successes in much of our *In the Red* campaign on poverty and debt, particularly relevant in the current recession. The aim is to highlight the need for better support and services by the financial sector, and this we have begun to achieve this by the provision of information and training and working with organisations such as HM Revenue and Customs, the Financial Services Authority and Citizens Advice Bureau.

Mind intervened in a successful legal test case which went to the House of Lords about the security and care of patients detained under the Mental Health Act. The case turned on the 'right to life' and the equivalence of a hospital's responsibility with that of prison.

Mind has a strong influence on mental health matters

We said we would carry out legal cases on discrimination as part of the Time to Challenge project of Time to Change programme, but it has taken longer than expected to find good cases to support. This work is now developing.

Last year we said we aimed to achieve three significant impacts on major strands of policy work. In practice change of policy is dependent on the opportunities available and is often achieved through the accumulation of many smaller successes. Some examples of policy wins this year are: the Prime Minister has promised to make prescription charges free for people with long-term conditions; because of our 'Another assault' campaign the Crown Prosecution Service is consulting on how people with mental health problems are considered when prosecuting cases; and the opening up of charity trustee boards to people with experience of mental distress following changes in the Charity Commission's wording on their sample trustee declaration of eligibility form, based on our advice.

Objectives for the coming year are to: continue campaigning on debt and poverty; run campaigns on men and mental health, on personalisation and on refugees and asylum-seekers; develop Mind Workplace to improve employers' willingness to employ people with experience of mental distress; take legal cases to challenge discrimination; urge Government and party manifestos to consider step changes to their approach to mental health services and to raise awareness among the wider population of mental wellbeing through the mental health Future Vision coalition.

2. Stronger LMA network – creating mentally healthy communities

Creating mentally healthy communities: Mind will work with the local Mind association network and other partners to improve the delivery of services for people experiencing mental distress. There are around 182 LMAs operating in England and Wales, which deliver around 1,650 services through 76 different types of service.

In consultation with the LMAs, we have gained a strong understanding of the complexities and needs of the relationship of Mind and LMAs, resulting in proposals for strengthening the network. We also took this opportunity to review how Mind can best deliver support to LMAs.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Activities, achievements, performance and future plans (continued)

2. Stronger LMA network – creating mentally healthy communities (continued)

Mind has successfully facilitated the updating of the LMA quality standards and started the second cycle of the quality review process which will take three years. Quality management can be a challenge but is an effective way of improving and maintaining standards. In the year three LMAs, Birmingham, Bromley and Solent, have achieved the highest level (Level 3).

As planned, special interest groups were set up for talking treatments, advocacy, advice and information and modernising day services, which allowed engaged discussions and the successful sharing of best practice and challenges.

**Mind gave a record
£2 million to local Mind
associations**

Mind's grant-giving and partnership work continue to grow, with the addition of the Time to Change programme. In the year £2 million was given to LMAs to help them raise awareness and to develop quality mental health services.

The Welsh Assembly funded two projects in Wales: Applied Suicide Intervention Skills Training (ASIST), which provides training in Wales for caregivers seeking to prevent the risk of suicide, and the Mental Health First Aid project, which trains people to become instructors to deliver courses in Wales on approaches to helping people with mental health issues.

Objectives for the coming year include implementing the LMA relationship plans and structure changes within Mind to deliver support; continue quality management; develop Mind's wellbeing approach in partnership with LMAs; and to deliver the Positive Choices project in Wales funded by the Big Lottery Fund to build on the ASIST training and to raise awareness of suicide.

3. Expert by experience – Giving people a voice

Giving people a voice: Mind will champion the right of people with direct experience of mental distress to have a voice and be heard. This goal is crucial to ensure that the needs and experiences of people with mental distress are at the heart of all we do, and we use the word involvement to describe their engagement.

**People with
experience of mental
distress are at the
heart of Mind's work**

As planned, we had an organisation-wide debate and audit of involvement, using these to inform the development of an involvement strategy. Work was slower than planned due to resources and the strategy will be agreed in Autumn 2009.

We aimed to review our membership and this was achieved with the agreement of a new model for an umbrella-type membership allowing us to tailor our communications to special interests.

Mind's campaigning work has been strongly influenced and informed by people with mental distress. We have supported many people to contribute their experiences in a range of ways, including via questionnaires on welfare reform; as members of expert reference groups on social care, debt, health services and access to justice; as speakers at events, including the political parties' conferences and Carol Black's roundtable on employment and mental health.

Key objectives for the coming year include the completion and implementation of the involvement strategy and the new membership model.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Activities, achievements, performance and future plans (continued)

4. Full lives – providing direct support

Providing direct support: Mind will help people to take control over their mental health, to realise their potential, and to function as equal citizens through direct services to the public.

As planned, the legal advice line was expanded in the year, being open for most of the working week rather than for just a few hours. Enquiries to the legal line increased massively and with 3,200 in the first six months these were twice as much as we had predicted. Satisfaction levels for the legal advice line and the *MindinfoLine* remained high, averaging 89% over the year.

We reviewed the provision of information to the most marginalised, and focused on research on information delivery in prisons and acute wards. The work has been delayed by the requirement of gaining ethics approval but is now underway.

**Mind launched the
£7.5m Ecominds
grant scheme**

The big success this year has been the launch of Ecominds, as planned. Ecominds is an open grant programme of £7.5 million to distribute to about 125 projects in England over the next five years for people with experience of mental distress to get involved in local environmental projects that improve mental and physical health. Ecominds is funded by the Big Lottery Fund and just over £1 million was awarded to nine projects in the first assessment meeting in March 2009. These cover a broad spectrum of exciting activities including dancing, hedge laying and super fitness, all including learning about mental health.

Objectives for the coming year are to: complete the research on information delivery in prisons and acute wards, and to develop a feasibility plan to significantly increase our reach with information by 2012; to continue the success of the Ecominds grant scheme including granting the five large Flagship grants of up to a quarter of a million each.

5. Developing the organisation

Internally, we aim to create an organisation and culture that is fully equipped to deliver Mind's mission and increase our impact. Mind's profile has been raised particularly through our campaigning work and Time to Change, and helped in many other ways not least including a Mind poster in the café on popular television soap *EastEnders*.

We planned to strengthen leadership, management and strategic planning, and achieved this through more delegation to managers and clearly linking all objectives for staff to our overall goals.

Another aim was the development of internal structure and systems to improve integrated and effective working across Mind. To achieve this: a new External Relations Department was set up incorporating the Policy and Campaigns, Communications, Media, Information and Legal teams; Fundraising improved focus by consolidating into three teams of Public Giving, Partnerships and Operations; and the Mind Integration Project was planned to develop systems to improve the use of knowledge across Mind. A new website and intranet were developed in the year.

Objectives for the current year include: developing a new fundraising strategy; the launch of the new website and intranet; implementation of the Mind Integration Project; and ensuring that we exemplify best practice in employment regarding diversity and mental wellbeing.

Mind (The National Association for Mental Health)

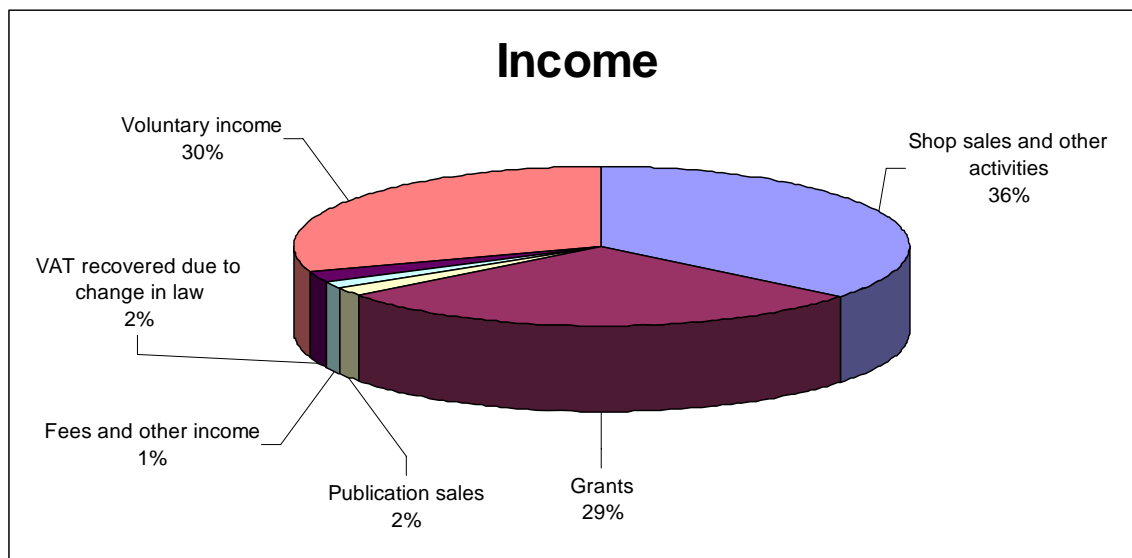
Report of the Council of Management (continued)

Year ended 31 March 2009

Financial review

Once again, and despite the challenging climate, Mind has had an excellent financial year, leaving the charity well placed to weather the recession in the coming years. The Statement of Financial Activities (SOFA) for the year is set out within the financial statements.

Income



Turnover of almost £25 million sets a new record for Mind, reflecting another year of high legacy income and also the first full year of the Time to Change programme funded by the Big Lottery Fund and Comic Relief.

Voluntary income of £7.5 million increased 15% from the previous year mainly due to a record year for legacy income of £3.1 million which was 44% higher than in 2007 to 2008. Legacy income is by nature unpredictable, and it is unlikely that this level will be maintained in the current and future years. Donations continue to be very competitive, and at £3.6 million these were 3.5% less than the previous year. Challenge event income of £766,000 showed an increase of 22%, particularly from running events and 'do your own thing' challenges.

In activities for generating funds, sales in the Minds Matter charity shops increased to a record £8.1 million, boosted particularly by the successful introduction of gift aid relating to donated goods

Income from charitable activities consists of income relating to the 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 this year over £4.8 million grant funding from the Big Lottery Fund and Comic Relief for the Time to Change programme.

Other incoming resources of £605,000 related to a one off VAT reclaim due to clarification in the law which allowed claims to be made for VAT relating to fundraising costs back to the inception of VAT in 1973.

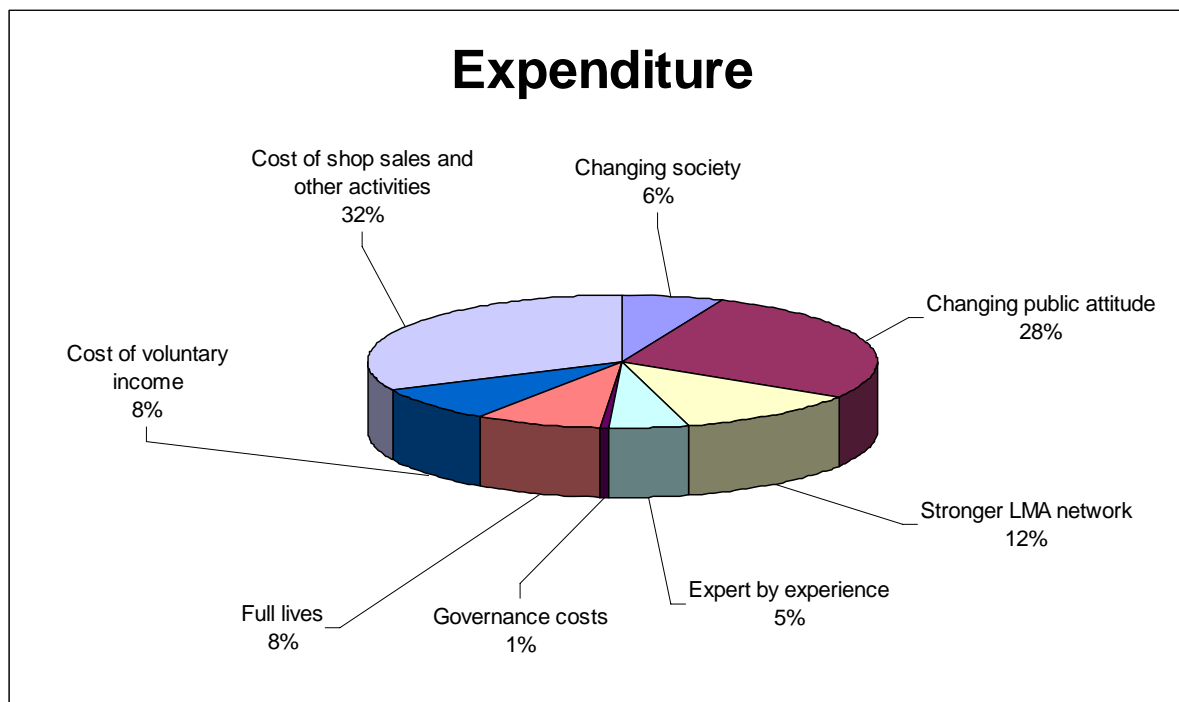
Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Financial review (continued)

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 unrestricted voluntary income was 25%, which is comparable to other charities that undertake similar methods of fundraising for unrestricted income. 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 charitable work.

The Minds Matter charity shops brought in a record net profit to the charity of nearly £1.4 million, which was 23% higher than the previous year. While there has been significant pressure on costs in the shops, the gift aid recovery significantly helped this increase in profit.

Charitable expenditure

Charitable expenditure of £13.4 million showed a 64% increase on the previous year, mainly owing to nearly £5 million expenditure on Time to Change in the first full year of the programme.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Financial review (continued)

Charitable expenditure (continued)

Changing public attitude: The increase from £2.1 million to £6.2 million includes £3.8 of the money spent relating to the Time to Change programme, of which £1.3 million went to LMAs and £1.8 million to Rethink to run the media campaign to combat stigma and discrimination.

Changing society: These costs mainly consist of staff working on policy, legal and campaigning objectives and these increased by 8% in the year.

Stronger LMA network: Expenditure of £2.7 million is significant and mainly consists of staff working with LMAs and grants to LMAs. The increase of 20% over the previous year reflects an increase in staff supporting LMAs to build capacity and carry out the quality work.

Expert by experience: The increase of 11% to nearly £1.2 million reflects the increase in staff resource in involvement in Mind and also a portion of the Time to Change programme including Open Up and the involvement work of the central management team.

Full lives: The increase of 27% is due to the expansion of the MindinfoLine and Legal advice line during the year, the roll-out in Wales of Mental Health First Aid and Applied Suicide Intervention Skills Training to train the trainers, and the launch of the Ecominds grant scheme.

Reserves and reserve policy

Overall a surplus was made in the year with net incoming resources of £2.2 million. This was a much more positive result than planned, as we had budgeted for an unrestricted deficit at the beginning of the year. This outcome was due to some high late legacies and the old VAT claim.

From this surplus is deducted investment losses of £372,000 and the actuarial loss on the defined benefit pension scheme of £837,000, 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 £4 million to nearly £5.5 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 though mindful of the current economic climate and the likely delayed impact of the recession on charities, 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 £2.2 million to £3.3 million at the end of the year.

We reported last year that we aimed to reduce our reserves to within our planned range, though with late legacies and the VAT claim we did not achieve this. General reserves were £5.5 million at the year end which would last 10 months, though mindful of the delayed impact of the recession these reserves hold us in good stead to weather the difficult times ahead. In the current year, we have budgeted for a deficit of just over £1 million to spend some of the reserves, focusing on achieving objectives for the coming year and investing for the future, while exercising some caution given the economic climate.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

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 alongside the consideration of strategic direction. 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 investment 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 less than expected due to the upheaval in the market. Capital losses over the year were about the same as the market, at 31% compared with an 30% fall in the indices.

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

Grant-making policies

Mind currently runs four grant-making schemes, two LMA funds, the 'Opportunities for volunteering' scheme and the new Ecominds grants 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 is funded by the Big Lottery Fund, and it aims to give grants of £7.5 million over the next four years to 125 projects focusing on mental health and the environment around England. All grants are awarded by independent assessment panels.

Mind (The National Association for Mental Health)

Report of the Council of Management (continued)

Year ended 31 March 2009

Honorary Treasurer Maureen Dickson

We were very sad to hear that Maureen Dickson passed away in March 2009 after a short illness. She was an excellent Treasurer showing great diligence and commitment to Mind, but was also a lovely and warm woman. She has been missed.

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. This includes all 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. In particular the Minds Matter charity shops could not run without the support of some 1,353 volunteers.

More and more people carry out voluntary fundraising activities for Mind, often being sponsored for challenging activities such as running marathons, trekking or cycling and we thank them all for their energetic support.

Auditors

A resolution reappointing haysmacintyre will be proposed at the AGM in accordance with S485 of the Companies Act 2006.

On behalf of the Council of Management



David Henry
Chair



Michael Starkie
Honorary Treasurer

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

30 September 2009

Mind (The National Association for Mental Health)

Consolidated statement of financial activities

Year ended 31 March 2009

We have audited the financial statements of Mind (The National Association for Mental Health) for the year ended 31 March 2009 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 2009

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 2009 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

30 September 2009

Mind (The National Association for Mental Health)

Consolidated statement of financial activities

Year ended 31 March 2009

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2009 £'000	Total 2008 £'000
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	7,481	8	7,489	6,517
Activities for generating funds					
Shop sales and donations	3	8,143	-	8,143	7,643
Raffle and other activities		611	-	611	447
Total funds generated from activities		8,754	-	8,754	8,090
Investment Income	4	144	1	145	143
Incoming resources from charitable activities					
	5				
Changing public attitude		-	5,043	5,043	1,361
Changing society		-	242	242	253
Stronger LMA network		107	902	1,009	1,008
Expert by experience		12	497	509	302
Full lives		512	522	1,034	929
Total incoming resources from charitable activities		631	7,206	7,837	3,853
Other incoming resources					
One off VAT recovery		605	-	605	-
Total incoming Resources		17,615	7,215	24,830	18,603
Resources expended					
Cost of generating funds					
Voluntary income	6	1,883	-	1,883	1,749
Fundraising trading					
Shop costs	3	7,224	-	7,224	6,813
Raffle and other activities		42	-	42	63
Total costs of generating funds		9,149	-	9,149	8,625
Net incoming resources available for charitable activities		8,466	7,215	15,681	9,978

Mind (The National Association for Mental Health)

Balance sheet (charity only)

Year ended 31 March 2009

	Note	Unrestricted Funds £'000	Restricted funds £'000	Total 2009 £'000	Total 2008 £'000
Charitable activities:					
Changing public attitude		1,314	4,915	6,229	2,082
Changing society		1,134	295	1,429	1,327
Stronger LMA network		1,869	806	2,675	2,224
Expert by experience		759	407	1,166	1,049
Full lives		1,488	365	1,853	1,459
Total charitable activities	7	6,564	6,788	13,352	8,141
Governance costs	10	102	-	102	90
Total resources expended		15,815	6,788	22,603	16,856
Net incoming resources		1,800	427	2,227	1,747
Other recognised gains / (losses)					
Loss on investments		(372)	-	(372)	(155)
Actuarial (loss)/ gain on defined benefit pension scheme	23	(837)	-	(837)	630
Net movement in funds before transfers	12	591	427	1,018	2,222
Mental Health Media transfer	28	23	78	101	-
Net movement in funds		614	505	1,119	2,222
Balances brought forward		6,132	919	7,051	4,829
Balances carried forward		6,746	1,424	8,170	7,051

- 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 cash flow statement

Year ended 31 March 2009

	Note	2009		2008	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	14		2,400		2,488
Investments	15		852		1,242
Cash held for investment			2,000		1,500
			<u>5,252</u>		<u>5,230</u>
Current assets					
Stocks		274		264	
Debtors	16	3,246		1,867	
Cash at bank		2,318		1,601	
Cash in hand		64		91	
		<u>5,902</u>		<u>3,823</u>	
Creditors: amounts falling due					
Within one year	17	(1,868)		(1,602)	
		<u></u>		<u></u>	
Net current assets			4,034		2,221
			<u></u>		<u></u>
Total assets less current liabilities			9,286		7,451
			<u></u>		<u></u>
Creditors: amounts falling due					
After one year	17		(1,116)		(400)
			<u></u>		<u></u>
Net assets			<u><u>8,170</u></u>		<u><u>7,051</u></u>
Funds					
Restricted funds	18		1,424		919
Unrestricted funds:					
Designated fixed asset fund	19		2,400		2,488
General reserves			5,462		4,044
Pension reserves			(1,116)		(400)
			<u>8,170</u>		<u>7,051</u>
			<u><u></u></u>		<u><u></u></u>

The financial statements were approved and authorised for issue by the Council of Management on 30 September 2009 and were signed below on its behalf by:



David Henry
Chair



Michael Starkie
Honorary Treasurer

Mind (The National Association for Mental Health)

Consolidated cash flow statement

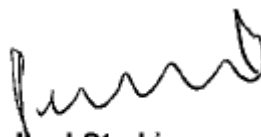
Year ended 31 March 2009

	Note	2009		2008	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	14		2,400		2,488
Investments	15		852		1,242
Cash held for investment			2,000		1,500
			<u>5,252</u>		<u>5,230</u>
Current assets					
Stocks		116		121	
Debtors	16	3,225		1,893	
Cash at bank		2,102		1,318	
Cash in hand		5		5	
		<u>5,448</u>		<u>3,337</u>	
Creditors: amounts falling due					
Within one year	17	(1,469)		(1,170)	
			<u>3,979</u>		<u>2,167</u>
Net current assets					
			<u>9,231</u>		<u>7,397</u>
Total assets less current liabilities					
Creditors: amounts falling due					
After one year	17		(1,116)		(400)
			<u>8,115</u>		<u>6,997</u>
Net assets					
Funds					
Restricted funds	18		1,369		865
Unrestricted funds:					
Designated fixed asset fund	19		2,400		2,488
General reserves			5,462		4,044
Pension reserves			(1,116)		(400)
			<u>8,115</u>		<u>6,997</u>

The financial statements were approved and authorised for issue by the Council of Management on 30 September 2009 and were signed below on its behalf by:



David Henry
Chair



Michael Starkie
Honorary Treasurer

Mind (The National Association for Mental Health)

Consolidated cash flow statement

Year ended 31 March 2009

	Note	2009		2008	
		£'000	£'000	£'000	£'000
Net cash inflow from operating activities	A		1,385		1,604
Returns on investment and servicing of finance					
Income from investments		49		50	
Bank and loan interest received		96		93	
		<u> </u>	145	<u> </u>	143
Taxation paid			(3)		(1)
Capital expenditure					
Purchase of tangible fixed assets		(355)		(320)	
Purchase of investments		(3)		-	
Proceeds from sale of tangible fixed assets		-		2	
Proceeds from sale of investments		21		5	
		<u> </u>	(337)	<u> </u>	(313)
Increase in cash	B		<u><u>1,190</u></u>		<u><u>1,433</u></u>

Mind (The National Association for Mental Health)

Notes to the consolidated cash flow statement

Year ended 31 March 2009

A. Reconciliation of net movement in funds to net cash flow from operating activities	2009 £'000	2008 £'000
Net movement in funds	1,119	2,222
Adjustment for:		
Depreciation charge	424	403
Unrealised loss on investments	377	156
Realised gain on investments	(5)	(1)
Realised loss on disposal of tangible fixed assets	19	21
Interest receivable and received	(96)	(93)
Income from investments	(49)	(50)
Taxation charge	3	2
	<u>1,792</u>	<u>2,660</u>
Cash from operations before working capital charge	1,792	2,660
(Increase)/ decrease in stock	(10)	26
(Increase) in debtors	(1,379)	(225)
Increase/(decrease) in creditors	982	(857)
	<u>1,385</u>	<u>1,604</u>
Net cash inflow / outflow from operating activities	1,385	1,604

B. Analysis of net funds	As at 1 April 2008 £'000	Cash flow £'000	As at 31 March 2009 £'000
Cash held for investment	1,500	500	2,000
Cash at bank	1,601	717	2,318
Cash in hand	91	(27)	64
	<u>3,192</u>	<u>1,190</u>	<u>4,382</u>
	3,192	1,190	4,382

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

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) and Mind Fundraising Limited together with connected trusts the Elliott Charity and Mary Hemingway Rees Memorial Fund (see notes 26 to 27). 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 receipt 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 2009

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, including gift aid now reclaimed relating to charity shop donations.

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 2009

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.

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 included together in the Statement of Financial Activities.

Pensions

Employees of the charity are entitled to join the group personal pension scheme and employees of the subsidiary Minds Matter (Trading Activities) Ltd are entitled to join on e of their defined contribution pension schemes. 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.

2. Voluntary income

	Unrestricted £'000	Restricted £'000	2009 Total £'000	2008 Total £'000
Donations	3,579	8	3,587	3,717
Challenge events	766	-	766	629
Legacies	3,136	-	3,136	2,171
Total	7,481	8	7,489	6,517

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

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.

	2009	2008
	£'000	£'000
Sale of goods	8,143	7,643
Other income including donations and rent received	435	272
Costs of selling goods	(7,224)	(6,813)
	<u>1,354</u>	<u>1,102</u>
	<u><u>1,354</u></u>	<u><u>1,102</u></u>

4. Investment income

	Unrestricted	Restricted	2009	2008
	£'000	£'000	Total	Total
			£'000	£'000
Interest received	95	1	96	93
Dividends from UK quoted equities	49	-	49	50
Total	<u>144</u>	<u>1</u>	<u>145</u>	<u>143</u>
	<u><u>144</u></u>	<u><u>1</u></u>	<u><u>145</u></u>	<u><u>143</u></u>

5. Incoming resources from charitable activities

	Unrestricted	Restricted	2009	2008
	£'000	£'000	Total	Total
			£'000	£'000
Government grants	-	1,454	1,454	864
Trusts, foundations and other grants	-	5,643	5,643	2,024
Fees	113	-	113	134
Publication sales	398	-	398	404
Conferences and training	120	-	120	89
Other	-	109	109	338
Total	<u>631</u>	<u>7,206</u>	<u>7,837</u>	<u>3,853</u>
	<u><u>631</u></u>	<u><u>7,206</u></u>	<u><u>7,837</u></u>	<u><u>3,853</u></u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

5. **Incoming resources from charitable activities (continued)**
Restricted incoming resources by funder:

	2009	2008
	£'000	£'000
Welsh Assembly Government		
Grant scheme for Mind Cymru	308	308
ASIST	122	46
Mental Health legislation	-	12
Mental Health First Aid	167	138
	<u>597</u>	<u>504</u>
Department of Health		
Opportunities for volunteering	488	485
Refugee and asylum seekers	65	14
Putting people first	44	-
Time to Change	178	-
Mental Health Media awards	25	-
Speakers Bureau	40	-
Other	17	-
	<u>857</u>	<u>499</u>
Big Lottery Fund		
Time to Change	4,083	1,053
Ecominds	281	80
Care evaluation research	99	101
Positive Choices	46	-
Other	3	7
	<u>4,512</u>	<u>1,241</u>
Comic Relief		
Time to Change	792	322
Social enterprise project	49	60
	<u>841</u>	<u>382</u>
Other		
Financial Services Authority	68	28
Northern Rock Foundation	36	71
City Bridge	25	-
National Institute of Mental Health	35	-
Esmee Fairbairn Foundation	47	-
Simplyhealth (also made a donation of £49k)	51	-
Other	137	314
	<u>399</u>	<u>413</u>
Total	<u>7,206</u>	<u>3,039</u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

6. Cost of generating voluntary income		Unrestricted £'000	Restricted £'000	2009 Total £'000	2008 Total £'000	
Donations		1,320	-	1,320	984	
Challenge events		313	-	313	476	
Legacies		50	-	50	65	
Support costs allocated		200	-	200	224	
		<u>1,883</u>	<u>-</u>	<u>1,883</u>	<u>1,749</u>	
7. Resources expended on charitable activities						
	Activities undertaken directly £'000	Grant and other funding of activities £'000	Support costs £'000	2009 Total £'000	2008 Total £'000	
Changing public attitude	1,205	4,728	296	6,229	2,082	
Changing society	1,122	-	307	1,429	1,327	
Stronger LMA network	1,952	325	398	2,675	2,224	
Expert by experience	991	-	175	1,166	1,049	
Full lives	1,568	-	285	1,853	1,459	
	<u>6,838</u>	<u>5,053</u>	<u>1,461</u>	<u>13,352</u>	<u>8,141</u>	
8. Support costs						
	Management	Finance, IT and Office Service	Property costs	Human Resources	2009 Total	2008 Total
Basis of apportionment	Staff £'000	Staff £'000	Area £'000	Staff £'000	Costs £'000	Costs £'000
Charitable activities						
Changing public attitude	4	147	75	70	296	176
Changing society	5	151	78	73	307	286
Stronger LMA network	6	197	101	94	398	287
Expert by experience	3	86	45	41	175	183
Full lives	4	140	73	68	285	291
	<u>22</u>	<u>721</u>	<u>372</u>	<u>346</u>	<u>1,461</u>	<u>1,223</u>
Income generation						
Voluntary income	3	100	51	47	201	224
Raffle and other activities	-	5	2	2	9	8
	<u>25</u>	<u>826</u>	<u>425</u>	<u>395</u>	<u>1,671</u>	<u>1,455</u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

9. Staff costs

	Group	
	2009	2008
	£'000	£'000
Wages and salaries	6,944	6,352
Social security costs	607	554
Other pension contributions	642	510
	<u>8,193</u>	<u>7,416</u>

Other pension contributions are made up as follows:

	2009	2008
	£'000	£'000
Mind defined benefit scheme related costs	133	56
Mind defined contribution scheme	474	426
Minds Matter defined contribution schemes	35	28
	<u>642</u>	<u>510</u>

See note 23 for more information on the pension schemes.

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

	2009	2008
	Number	Number
Shops	305	287
Changing public attitude	20	13
Changing society	20	19
Stronger LMA network	26	22
Expert by experience	12	12
Full lives	19	16
Income generation, support and governance	35	38
	<u>437</u>	<u>407</u>

Higher paid employees

The numbers of employees whose emoluments for the year fell within the following bands were:

	Group	
	2009	2008
	Number	Number
£60,000 to £69,999	3	1
£70,000 to £79,999	1	1
£80,000 to £89,999	-	1
£90,000 to £99,999	1	-
	<u>5</u>	<u>3</u>

Emoluments include salary and taxable benefits but do not include employer's pension contributions or employer's national insurance. The highest paid employee was the Chief Executive.

	£'000	£'000
Total employer contribution paid to the pension schemes for the above higher paid employees	33	26

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

10. Governance costs	2009	2008
	£'000	£'000
Membership and committees	38	37
Audit costs for the charity	19	19
Management support costs	45	34
	<u>102</u>	<u>90</u>
	<u><u>102</u></u>	<u><u>90</u></u>
11. Council of Management emoluments and reimbursed expenses		
	2009	2008
	£'000	£'000
Total expenses relating to travel and subsistence	14	14
	Number	Number
Number of trustees reimbursed	15	14
Number of trustees in office at some time during the year	19	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.		
12. Net movement in funds	2009	2008
	£'000	£'000
Net movement in funds is stated after charging:		
Depreciation	424	403
Auditors' remuneration	27	26
Other financial services by auditors		
Tax services	1	2
Payroll administration	19	17
Operating lease: land and buildings	1,857	1,809
Operating lease: equipment and motor vehicles	103	110
	<u>103</u>	<u>110</u>
	<u><u>103</u></u>	<u><u>110</u></u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

13. Results from trading subsidiary, Minds Matter (Trading Activities) Ltd

For full financial results for the charity shops see note 3.

	2009 £'000	2008 £'000
Turnover	7,311	7,121
Cost of sales	(839)	(831)
Gross profit	6,472	6,290
Other operating income	358	138
Operating expenses and administration costs	(6,081)	(5,687)
Interest receivable	5	15
Profit for the year	754	756
Gift aid payable to Mind	(751)	(754)
Taxation	(3)	(2)
Profit for the year	-	-

14. Tangible fixed assets

Group	Freehold properties £'000	Long leasehold properties £'000	Short-term leasehold properties £'000	Furniture, Equipment and vehicles £'000	Total £'000
Cost					
At 1 April 2008	219	1,438	371	3,463	5,491
Additions at cost	-	-	21	316	337
Transfer from Mental Health Media	-	-	-	18	18
Disposals	-	-	(11)	(90)	(101)
At 31 March 2009	219	1,438	381	3,707	5,745
Depreciation					
At 1 April 2008	29	324	259	2,391	3,003
Charge for year	4	30	31	359	424
Disposals	-	-	(9)	(73)	(82)
At 31 March 2009	33	354	281	2,677	3,345
Net book value					
At 31 March 2009	186	1,084	100	1,030	2,400
At 31 March 2008	190	1,114	112	1,072	2,488

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

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
Cost					
At 1 April 2008	219	1,438	290	3,070	5,017
Additions at cost	-	-	21	316	337
Transfer from Mental Health Media	-	-	-	18	18
Disposals	-	-	(5)	(89)	(94)
At 31 March 2009	219	1,438	306	3,315	5,278
Depreciation					
At 1 April 2008	29	324	177	1,999	2,529
Charge for year	4	30	31	359	424
Disposals	-	-	(2)	(73)	(75)
At 31 March 2009	33	354	206	2,285	2,878
Net book value					
At 31 March 2009	186	1,084	100	1,030	2,400
At 31 March 2008	190	1,114	113	1,071	2,488

15. Investments

All investments are held by Mind and are listed in the UK. The portfolio consists of £47,000 fixed interest stocks and the rest is held in UK equity investments.

	2009 £'000	2008 £'000
Market value brought forward	1,242	1,402
Disposals	(16)	(4)
Additions to investment at cost	3	-
	1,229	1,398
Net unrealised loss on revaluation	(377)	(156)
Market value carried forward	852	1,242
Significant investments within the portfolio were:		
Alliance trust	98	122
BG Group	95	106

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

16. Debtors

	Group		Mind	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Amount due from subsidiary undertaking	-	-	774	578
Other debtors	86	111	63	88
Prepayments and accrued income	3,160	1,756	2,388	1,227
	<u>3,246</u>	<u>1,867</u>	<u>3,225</u>	<u>1,893</u>

17. Creditors

	Group		Mind	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Amounts falling due within one year				
Trade creditors	471	391	315	226
Other creditors	67	53	67	52
Income tax and social security	218	202	159	141
Other taxes	3	2	-	-
Accruals and deferred income	1,109	954	928	751
	<u>1,868</u>	<u>1,602</u>	<u>1,469</u>	<u>1,170</u>
Amounts falling due in more than one year				
Pension deficit	1,116	400	1,116	400
	<u>2,984</u>	<u>2,002</u>	<u>2,585</u>	<u>1,570</u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

18. Restricted funds by activity

	Balance at 1 April 2008 £'000	Incoming Resources £'000	Transfers £'000	Resources expended £'000	Balance at 31 March 2009 £'000
Time to Change	384	5,053	-	(4,981)	456
Ecominds	-	281	-	(147)	134
Opportunities for volunteering	34	488	-	(491)	31
Mind Cymru	-	310	-	(310)	-
Mental Health First Aid	83	233	-	(189)	127
ASIST	-	140	-	(110)	30
Positive choices	-	64	-	(20)	44
Care Evaluation research	23	99	-	(100)	22
Debt and poverty	-	68	-	(68)	-
Service Development	61	-	-	(61)	-
Quality development	-	25	-	(14)	11
LMA grant fund	200	-	-	(27)	173
Business Boosters	33	49	-	(54)	28
Volunteer training	-	47	-	(26)	21
Mental Health Media	-	-	78	(50)	28
Other	47	357	-	(140)	264
Mind restricted funds	865	7,214	78	(6,788)	1,369
The Elliott Charity	39	1	-	-	40
Mary Hemingway Rees Memorial Fund	15	-	-	-	15
Group restricted funds	919	7,215	78	(6,788)	1,424

Restricted grants are received from a variety of sources including government and trusts and foundations and are for a variety of purposes that help us achieve our strategic goals.

The Time to Change programme 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 October 2007 and is jointly funded by the Big Lottery Fund and Comic Relief. Mind is the lead agency in relation to the funders and is managing and delivering the programme together with partners Rethink and the Institute of Psychiatry. The programme consists of 35 projects carried out by the partners and locally by some LMAs and local Rethink services.

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

18. Restricted funds by activity (continued)

Ecominds is a £7.5m grant-giving scheme over five years, 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.

The 'Opportunities for volunteering' is a grant scheme funded by the Department of Health and makes grants to help organisations recruit people with experience of mental distress to volunteer in innovative mental health services as a route back to employment.

The Welsh Assembly Government fund a significant part of our core work in Wales, and this year they also funded ASIST (Applied Suicide Intervention Skills Training) which provides training in Wales for caregivers seeking to prevent the risk of suicide, and the Mental Health First Aid project to train instructors to deliver courses in Wales on approaches to helping people with mental health issues. Building on the ASIST work, Positive Choices launched this year funded by the Big Lottery for five years to raise awareness of suicide, challenge stigma, and providing ASIST training in early intervention skills to essential front-line services.

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

Part of our campaign work on debt and poverty was funded by the Financial Services Authority, to increase awareness and understanding of the financial issues faced by people with experience of mental distress, to enable some LMAs to provide financial capability surgeries and to provide a new financial information areas on our website.

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

The quality development work is funded by City Bridge to embed quality in 26 local Mind associations in London using Quality Management in Mind to achieve a shared understanding of how an embedded quality culture impacts on a network of service providers.

The Business Boosters social enterprise project funded by Comic Relief builds on previous work developing a model for social enterprise for mental health service users.

The restricted LMA grant fund was donated by the Robert and Rena Lewin Trust to make grants to LMAs for work in connection with carers of those who suffer from mental distress.

The volunteer training grant from the Esmee Fairbairn Foundation is for a two year project to pilot a scheme to train service users in retail skills to help them back into employment.

When Mental Health Media and Mind merged on 31 December 2008, the restricted funds of Mental Health Media were transferred to Mind, and these included balances for continuing the Time to Change Open Up project, and remaining grant funding from the Baring Foundation for new technology and from the Department of Health for Speakers Bureau. All these activities now continue in Mind.

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

19. Designated funds	At 1 April 2008 £'000	New Designations £'000	At 31 March 2009 £'000
Fixed asset fund	2,488	(88)	2,400

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.

20. Analysis of group net assets	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund balances at 31 March 2009 are represented by:			
Tangible fixed assets	2,400	-	2,400
Investments	852	-	852
Cash held for investment	2,000	-	2,000
Current assets	4,150	1,752	5,902
Current liabilities	(1,540)	(328)	(1,868)
Pension Deficit	(1,116)	-	(1,116)
	<u>6,746</u>	<u>1,424</u>	<u>8,170</u>

21. Investment in subsidiary undertakings		Proportion of voting rights
Name of subsidiary	Holding	
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 2009

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 £474,000 (2008: £426,000).

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 £35,000 (2008: £28,000).

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. The main actuarial assumptions were that the investment returns would be 6.7 per cent per annum, and that present and future pensions would increase at the rate of 2.9 per cent per annum. The valuation showed that the market value of the scheme's assets was £5,502,000 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 77 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 £288,000 per annum. This payment is paid monthly and will be made over ten years to eliminate the deficit.

The Mind defined benefit pension scheme was professionally valued as at 31 March 2009 in accordance with accounting standard FRS17 as follows:

	2009	2008
	£'000	£'000
Net pension deficit at 31 March:		
Market value of scheme assets	4,782	5,429
Present value of scheme liabilities	(5,898)	(5,829)
	<u>(1,116)</u>	<u>(400)</u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

23. Pension commitments (continued)

Asset	2009		2008	
	Expected rate of return % pa	Value £'000	Expected rate of return % pa	Value £'000
Equities	8.20	1,743	8.00	1,978
Bonds	4.54	2,975	4.40	3,403
Other	0.50	64	5.25	48
		<u>4,782</u>		<u>5,429</u>

Actuarial assumptions used:	2009 % pa	2008 % pa
Rate of increase of pensions	2.7	2.9
Discount rate	6.7	6.6
Retail price inflation	2.7	2.9
Deferred pension revaluation	5.0	5.0

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

Amount charged to functional cost categories	2009 £'000	2008 £'000
Current service cost	(62)	(48)
Interest cost	(383)	(352)
Expected return on assets	312	344
Net amount charged to expenditure	<u>(133)</u>	<u>(56)</u>
Actuarial gains / (losses)		
Loss on assets	(995)	(237)
Loss arising on Scheme Liabilities	-	(190)
Gain on change of assumptions	158	1,057
Actuarial (loss) / gain charged to the Statement of Financial Activities	<u>(837)</u>	<u>630</u>

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

23. Pension commitments (continued)

	2009	2008
	£'000	£'000
Analysis of movement in deficit		
Deficit at the beginning of year	(400)	(1,194)
Movement in year :		
Current service cost	(62)	(48)
Contributions paid by charity	254	220
Other finance income	(71)	(8)
Actuarial gains	(837)	630
Deficit at end of the year	(1,116)	(400)

	2009	2008
	£'000	£'000
Recognised gains		
Actual return less expected return on scheme assets	(995)	(237)
Changes in assumptions underlying the present value of the scheme liabilities	158	867
Actuarial gain charged to Statement of Financial Activities	(837)	630

	2009	2008	2007	2006
	£'000	£'000	£'000	£'000
History of experience gains and (losses)				
Difference between expected and actual return on scheme assets:				
Amount	(995)	(237)	(124)	569
% of scheme assets	(20.8%)	(4.4%)	(2.3%)	11.0%
Experience gains / (losses) on scheme liabilities				
Amount	-	(190)	-	-
% of scheme assets	0.0%	3.3%	-	-
Total actuarial gain / (losses) recognised				
Amount	(837)	630	140	(212)
% of scheme liabilities	(14.2%)	10.8%	2.1%	(3.2%)

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

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	113	75	6	-
In the second to fifth year	874	799	97	56
After five years	688	665	-	-
	<u>1,675</u>	<u>1,539</u>	<u>103</u>	<u>56</u>

25. Grants and other distributions to institutions

	LMA £'000	Other £'000	2009 Total £'000	2008 Total £'000
Opportunities for volunteering	442	-	442	417
LMA grant scheme	174	-	174	169
LMA reserve fund	54	-	54	58
	<u>670</u>	<u>-</u>	<u>670</u>	<u>644</u>
Time to Change project distributions:				
LMA	1,263	-	1,263	315
Institute of Psychiatry	-	285	285	67
Mental Health Media	-	290	290	4
Rethink	-	2,426	2,426	412
LMA distribution	119	-	119	176
	<u>2,052</u>	<u>3,001</u>	<u>5,053</u>	<u>1,618</u>

The 'Opportunities for volunteering' is a grant scheme funded by the Department of Health and makes grants to help organisations recruit people with experience of mental distress to volunteer in innovative mental health services as a route back to employment.

The LMA grant scheme and LMA reserve fund provide grants of up to £5,000 exclusively to LMAs for capacity building and development. Grants are made for campaigning, diversity, LMA assistance, supporting carers, user bursaries and information technology.

The Time to Change programme 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. These distributions are made to fund the projects in the programme that are not run by Mind but are run by our partners in the scheme and LMAs.

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

25. Grants and other distributions to institutions (continued)

Grants and distributions made to LMAs in the 2009 financial year varied from £1k to £103k and were made to the following charities:

Opportunities for volunteering

Carlisle Mind	Milton Keynes Mind
Chester-le-street Mind	Mind in Gateshead
Derwentshire Mind Befriending Scheme	Mind in Harrow
Grimsby, Cleethorpes and District Association	Oxfordshire Mind
Harborough and District Mind	Rushden Mind
Hunts Mind	Scarborough and Ryedale Mind
Lambeth Mind	Sunderland Mind
Mid Staffs Mind	West Suffolk Mind

LMA grant scheme

Brent Mind	Mind in Sedgemoor
Bromley Mind	Mind in Taunton and West Somerset
Carlisle Mind	Mind Ynys Mon
Carmarthen Mind	Newton Aycliffe Mind
Chester and District Mind	Peterborough and Fenland Mind
Folkstone and District Mind	Portsmouth Mind
Grimsby Cleethorpes and District Mind	Redcar and Cleveland Mind
Hillingdon Mind	Neath Port Talbot Mind
Kensington and Chelsea Mind	Rochdale and District Mind
Letchworth Mind	Solihull Mind
Llanelli Mind	Springfield Mind
Milton Keynes Mind	Ulverstone Mind
Milton Keynes Mind	Norwich Mind
Mind in Barnet	Wirral Mind
Mind in Bexley	Worthing and Littlehampton Mind
Mind in Croydon	Ystradynlais Mind
Mind in Exeter and East Devon	

LMA reserve fund

Burton and District Mind	North Kirklees Mind
Chester and District Mind	North Staffs Mind
Dorset Mind	Scarborough Whitby and Ryedale Mind
Hillingdon Mind	Shropshire Mind
Kensington and Chelsea Mind	Ulverstone Mind
Merthyr and the Valleys Mind	West Suffolk Mind
Mid Warwickshire Mind	Westminster AMH
Mind in Harrow	Ystradgynlais Mind
Mind Ynys Mon	

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Notes to the financial statements

Year ended 31 March 2009

25. Grants and other distributions to institutions (continued)

Time to Change

Institute of Psychiatry, King's College London
Mental Health Media
Rethink

Andover Mind
Bedfordshire and Luton Mind
Brent Mind
Carlisle Mind
Derbyshire Mind
Eden Mind
Herefordshire Mind
Hull and East Yorkshire Mind
Hunts Mind

Mind in Harrow
Mind in Mid Herts
Newark Mind
North East Lancashire Mind
Sheffield Mind
Solent Mind
Solihull Mind
South Somerset Mind
West Norfolk Mind
Woking Mind
Mind in Brighton & Hove
Milton Keynes Mind
Mind in Croydon

26. The Elliott Charity

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

	2009 £'000	2008 £'000
Net assets		
Cash at bank	40	39
	<u>40</u>	<u>39</u>
Funds		
Balance at 1 April	39	37
Bank deposit interest	1	2
	<u>40</u>	<u>39</u>
Balance at 31 March	40	39

The charity makes grants to provide training and personal development opportunities for persons employed in the field of mental health. We are reviewing how best these funds can be used for the beneficiaries.

Mind (The National Association for Mental Health)

Notes to the financial statements

Year ended 31 March 2009

27 Mary Hemingway Rees Memorial Fund

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

	2009 £'000	2008 £'000
Net assets		
Cash at bank	15	15
	<u>15</u>	<u>15</u>
Funds		
Balance at 1 April	15	15
	<u>15</u>	<u>15</u>
Balance at 31 March	15	15
	<u>15</u>	<u>15</u>

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.

28 Mental Health Media

Mind merged with Mental Health Media on 31 December 2008, and all the business, activities staff and the assets shown below were transferred to Mind on that date. The work of Mental Health Media now continues within Mind and the funds transferred help fund this work in the current year.

	£'000
Assets	
Tangible fixed assets	18
Cash at bank and in hand	89
Current liabilities	(6)
	<u>101</u>
	<u>101</u>
Funds	
Restricted funds	78
Unrestricted general reserves	23
	<u>101</u>
	<u>101</u>

Mind (The National Association for Mental Health)

Advisers and supporters

Year ended 31 March 2009

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 managers

UBS
1 Curzon Street
London W1J 5UB

Mind (The National Association for Mental Health)

Advisers and supporters

Year ended 31 March 2009

Supporting Mind

Without the generous support of charitable trusts and foundations, companies, 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 organisations, who made large donations to Mind during the year:

Comic Relief
Northern Rock Foundation
The Beatrice Laing Trust
The City Bridge Trust
The Donald Forrester Trust
The Esmee Fairbairn Foundation
The Lloyds TSB Foundation
The Nuffield Foundation
National Assembly for Wales
The Department of Health
The Big Lottery Foundation
HMRC
Simply Health Group
Baringa