

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
(A Company Limited by Guarantee and not having a Share Capital)

ANNUAL REPORT AND ACCOUNTS
FOR THE 12 MONTHS to 30 SEPTEMBER 2016

Sutton Mental Health Foundation
63 Downs Road
Belmont
Surrey
SM2 5NR

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Company Number: 3549053
Registered Charity Number: 1069945

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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Report of the Trustees for the twelve months ended 30 September 2016

Charity Name: Sutton Mental Health Foundation Charity Company

Company Registration Number: 3549053

Charity Registration Number: 1069945

Registered Office: 63 Downs Road
Belmont, Surrey
SM2 5NR

Chairman:	David Jones
Treasurer:	Malcolm Booth
Trustee:	Laura Baker
Trustee:	Steve Francis
Trustee:	Mark Gough
Trustee:	Doris Richards
Company Secretary:	Carol Jacques

Senior Management Team

Carol Jacques	Manager
Angelina Lawson	Assistant Manager (Belmont)
Jean Bevan	Out of hours Co-ordinator (Cheam)

Bankers: Lloyds TSB Bank
49 High Street
Sutton, Surrey

The Charities Official Investment Fund (COIF)
St Alphage House
2 Fore Street
London EC2Y 5AQ

Auditors: Myrus Smith
Chartered Accountants
Norman House, 8 Burnell Road
Sutton, Surrey SM1 4BW

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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Report of the Trustees for the twelve months ended 30 September 2016

Report on the year

During the year 190 people attended a total of 349 sessions of our "Connect" service at Belmont and Cheam. This does not include attendances at activities organised by the Sutton 1in4 Network, which is supported by our staff but operates independently and has its own membership.

The London Borough of Sutton extended our contract so that the "Connect, Learn, Support" service could continue for a fourth year. Part way through the year the Borough agreed to a further extension but with reduced funding. This led us to close our centre at Cheam at the end of September, with the loss of the "out of hours" service on Wednesday evenings and Saturdays which had been offered there since 1997. We were sorry to have to part with the staff who provided the service at Cheam, who were made redundant. We thank them for their service.

46 people made use of the advice service provided at Belmont by Sutton CAB during the year. An additional pro bono service provided by Surrey Law Centre began in the autumn of 2015.

We continued to train peer support workers and a further course was run, resulting in 8 new peer support workers completing their training. A total of 15 peer support workers were active in providing support during the year. 47 sessions were held at Springfield Hospital and 28 people were referred (or selfreferred) for individual peer support sessions at locations in the local community, an increase from 22 the previous year. We also worked with Our Sutton to support people returning to work after absences resulting from mental health problems.

The Sutton Hopeline continued to offer telephone support to people in crisis on Saturday and Sunday evenings, when other services are least accessible. The service is provided by peer support workers who have received extra training on providing telephone support. It is mainly funded from donations. During the year the service handled 177 calls from 29 different callers, lasting over 100 hours in total.

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We further developed our training capability and built new relationships with local businesses and voluntary organizations to put it to use. At the end of the year a number of organisations had expressed interest in receiving training in Mental Health First Aid and mental health awareness. We supported Sutton 1in4 Network and its Commissioning Advisory Group, which works closely with mental health commissioners in Sutton to improve services and respond to the views of their users. The Central Sutton Circle of Support met regularly at Tazza's coffee bar and members of Activ8 developed a programme of activities reflecting their own interests and priorities. Regular Signpost Sutton sessions continued to provide information about mental health and related services in Sutton for the benefit of both users and other organisations.

Structure, Governance and Management

Governing Document

The Company is a charitable company limited by guarantee. Its governing documents are its Memorandum and Articles of Association.

Trustees

The directors of the Company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Board of Trustees. They are elected to serve for a period of three years and may be re-elected for a further period by the Annual General Meeting.

The Board seeks members who understand the needs of people who use mental health services, who reflect the diversity of the community and who can contribute to the business needs of the Company. People with direct experience of mental distress are actively welcomed to serve on the Board. The Company aims to be led by people who have experience of a path to recovery from mental health problems and is seeking to build the capacity to achieve this.

The Board of Trustees in place during the year had a broad mix of business skills drawn from commerce, administration, the law and social work. At least three Trustees have direct experience of mental health problems and of using mental health services; all are involved in planning and supporting the work of the Company by contributing to specific projects, taking part in workshops and supporting staff in various activities.

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Report of the Trustees for the twelve months ended 30 September 2016

In the event of the Company being wound up Trustees are required to contribute an amount not exceeding £1.

Organisational Structure

The Board of Trustees meets at least bi-monthly and is responsible for the strategic direction and policy of the Company. The Secretary also sits on the Board but does not vote.

The manager is responsible for the day to day running of the Company's activities and for the supervision and development of its staff. Certain functions may be delegated to other members of the senior management team.

The Board of Trustees is responsible for the management of the risks faced by the Company. Risks are identified, assessed and reviewed throughout the year. The Company's risk management processes are reviewed annually.

The key controls used by the Company include:

- Formal Board agendas
- Strategic planning, budgeting and management accounting
- Established organisational structure and lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of vulnerable adults.

The Board of Trustees is satisfied that the major risks identified through the risk management processes established for the Company have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but no absolute assurance that major risks have been adequately managed.

The Company recognises the importance of cultivating close relationships with its main funders, the London Borough of Sutton and NHS Sutton, with statutory service providers, particularly the South West London and St George's Mental Health NHS Trust and with Sutton Centre for the Voluntary Sector and third sector funders and charitable trusts.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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Report of the Trustees for the twelve months ended 30 September 2016

Objects, Aims, Objectives and Activities

Charitable Objects

The Company is established "for the benefit of people with mental health problems and their carers resident in the London Borough of Sutton, in particular, but without prejudice to the generality of the foregoing, by providing facilities for recreation or other leisure-time occupation in the interests of social welfare and with the object of improving their conditions of life; and for other charitable purposes as the trustees, in their discretion, shall from time to time determine.

Public Benefit

Within these Objects, the Company's public benefit aim is to provide high quality support to residents of Sutton who have experienced mental distress or who are at risk of doing so. Most services are provided free of charge to all who are able to benefit from them, subject to the available capacity, although consideration is given where appropriate to charging for services which provide direct benefit to individuals or small groups.

The Trustees seek continually to review the services provided and to adapt them to changing needs. In particular, the trustees seek to involve the people who use the Foundation's services in developing, delivering and evaluating these services to ensure that they meet the relevant needs as fully as possible.

Accordingly the Board of Trustees has complied with the duty in Section 17, Charities Act 2011, to have regard to the Public Benefit guidance published by the Charity Commission.

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Report of the Trustees for the twelve months ended 30 September 2016

Activities

The Company's activities have developed significantly in recent years, with increased emphasis on training and development and on intentional peer support, on community development work and on enabling people who use mental health services to influence their provision and development

The activities now undertaken by the Company to meet its objectives included the following:

Belmont and Cheam Connect and Sunday Connect

Sessions at Belmont on four weekdays and on Sundays offer social support to people with experience of mental distress. These offer a range of recovery-related activities including physical exercise, arts and crafts, games and outings. drama therapy sessions, relaxation, yoga, computer and writing courses are arranged from time to time. The Sunday sessions are user-run. Hot food is available for a reasonable charge at both weekday and Sunday sessions.

Advice services

The Foundation has entered into arrangements with Sutton Citizens' Advice Bureau and Surrey Law Centre to provide advice services on its premises. These services are part of the wider service provided by these organizations and are not the direct responsibility of the Foundation.

Client and community development work

The Company employs two development workers partly funded by NHS Sutton. These workers work closely with Sutton Council, NHS Sutton and other bodies. Key elements of their role are to support people in representing themselves to statutory authorities, developing self-help groups and supporting the establishment of new initiatives which promote wellbeing and resilience.

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Report of the Trustees for the twelve months ended 30 September 2016

Sutton 1 in 4 Network:

The network meets every month. From September 2016 the meetings have been held at Sutton Mental Health Foundation rather than at the Salvation Army.

The key outcomes for this period are as follows:

- The publication of the Making Safeguarding Personal Co-production Report in partnership with the South West London Mental Health Trust.
- The appointment of a service user representative to the Sutton Adults Safeguarding Board.
- The co-design of a Recovery College course entitled 'How can we live safely?'
- The commencement of a campaign regarding the use of restraints and seclusion.
- Providing a written and detailed response to the Mental Health Trust's proposals on the Urgent Care Pathway.
- The publication of 'I' Statements in relation to crisis care provision in Sutton.

Commissioning Advisory Group:

The CAG meets monthly, bringing together people who use services and service commissioners and providers. The CAG has been active in the following key areas:

- A user led evaluation of Sutton Uplift.
- Influencing the implementation of the Sutton Crisis Care Concordat.
- Advising the local authority on the implementation and introduction of its new Prevention Strategy.
- Providing feedback to the South West London Collaborative Commissioning Group regarding the Sustainability and Transformation Plan with local health services, including mental health.
- Supporting the development of the specification for the Supportive Employment and Volunteering tender.
- Commenting on and reviewing the Sutton Suicide Prevention Strategy.
- Working with Sutton Healthwatch.

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Report of the Trustees for the twelve months ended 30 September 2016

Signpost Sutton Sessions:

These are held monthly at Belmont. The themes are selected in response to interests expressed by members or are triggered by local developments.

On average there are 17 participants at each session. However, at the 'future of mental health crisis services' session held in July, 31 participants attended.

Sessions held this period were as follows:

- October 2015 – Mental Health in Primary Care
- November 2015 – Making Safeguarding Personal
- January 2016 – Whose Crisis is it anyway?
- February 2016 – Mental Health Medication
- March 2016 – Money Matters
- April 2016 - Introduction to the Mental Capacity Act
- May 2016 – What is Advocacy & how can I access it?
- June 2016 – Mind, Body and Wellbeing in Daily Life
- July 2016 – Future of mental health crisis services
- August 2016 – DIY Happiness
- September 2016 – Food, Mood and Wellbeing

Each session lasts around 1-2 hours. We take notes and these are circulated to those who attend.

We plan to continue the development of these sessions in 2017.

Circle of Support/ Activ8:

The Circle of Support continues to meet weekly at a coffee shop in Sutton High Street. It has an attendance of 15-20 people each week.

The circle provides a space where people can support each other.

Many participants use it as a hub to plan other social and cultural activities. This led to the development of Activ8.

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Report of the Trustees for the twelve months ended 30 September 2016

Activ8 is a joint initiative of Sutton 1 in 4 Network and Sutton Mental Health Foundation which builds upon the success of Sutton Circle of Support. It is a peer led group and aims to encourage people to become more active and to share their interests as well as developing connections outside of mental health and social care services. By supporting each other to become more active, members develop greater confidence feel less isolated. Our aim is that when people have made connections with others who have similar interests they may well feel able to make their own arrangements and the circle of support will act as a hub where people can link up and plan ahead.

To date we have been able to develop a number of peer led activities and signpost people to other activities that they have shown an interest in.

The peer led groups are:

- The Wellbeing Walking Group
- Community Dining Club
- The Moon on Monday Social Group
- Belmont Explorers
- Creative Writing Group
- Drama Workshop

Sutton Wellbeing Network:

The Sutton Wellbeing Network aims to promote the 5 steps to wellbeing.....Connect, Be Active, Take Notice, Keep Learning and Give. It now has 38 member organisations, a full list of which can be found on its website. SMHF provides leadership and some administrative support.

The Network's primary focus of activity in 2016 was on building community resilience in Sutton. In 2017 the Network will continue this work but will also take forward a project entitled 'Sutton Growing Together'. This project will look at how we can use open spaces in Sutton where there is an opportunity to encourage wellbeing, convert and improve derelict spaces and signpost people to existing services.

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Report of the Trustees for the twelve months ended 30 September 2016

Training

Training provides an opportunity to increase awareness of mental health and provide participants with ways of supporting others who are going through distress and assisting them to access either urgent or on-going medical attention.

In training an increasing number of organisations/private businesses we are able to fulfil our mission to provide better outcomes to all communities, including local minority ethnic groups.

Our training draws attention to the extra pressures and challenges which may face people because of their ethnic or religious backgrounds or sexual orientation.

Our half day Mental Health Awareness training has been delivered to:

Street Pastors
Pub Watch
Sutton College
Lakehouse (an asset and energy support services group)
Sutton Healthwatch

The Foundation has two instructors in Mental Health First Aid (one of whom is also a peer support worker) who were trained and accredited in the course of the year. They delivered three two day courses during the year. We are grateful to Sutton Council for funding the training of these instructors.

Our Community Development Worker has also:

- Supported the Sutton Hopeline
- Contributed to the ENRICH research project (on peer support provision for patients across several psychiatric hospital sites in England)
- Developed new data gathering arrangements to provide evidence of Sutton Mental Health Foundation's impact on its clients
- Given Mental Health Awareness talks to organisations including Sutton BME Forum and Sutton Hair Dressing Academy

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Report of the Trustees for the twelve months ended 30 September 2016

Achievements and performance

The plans set out in last year's report were implemented as follows:

- We have been able to develop plans to maintain the "Connect, Learn, Support" service taking account of discussions with Sutton Council on outcomes. Additional effort has gone into developing user-led activities, especially through the new Activ8 group and the Circles of Support.
- A training course in Sutton resulted in 8 additional peer support workers completing the course. There has been a marked growth in the number of people receiving peer support in the community and two training courses have been run for organizations outside Sutton, one being an NHS Mental Health Trust and one a mental health charity. These courses have generated useful revenue for the Foundation and provided valuable external experience to our trainers.
- Uptake of the Sutton Hopeline telephone crisis line has increased, albeit slowly, and there is evidence that callers from other areas have been calling in. We are trying to link these callers with support closer to where they live. Sutton 1in4 Network and the Commissioning Advisory Group have held regular meetings with commissioners of mental health services supported by SMHF staff.
- Sutton CAB continues to offer a weekly service supporting people with a range of enquiries and Surrey Law Centre offers advice fortnightly from our premises. The Hearing Voices and work support group have been held at Sutton College. We are grateful to all these organizations for the part they play in offering a wider range of services than we could provide on our own.
- A wide range of activities supporting wellbeing have been facilitated by SMHF staff, especially through the Sutton Wellbeing Network, Sutton 1in4 Network and Activ8.

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Report of the Trustees for the twelve months ended 30 September 2016

Plans for future periods

During 2016-17 we will:

- Maintain high quality services to support people whose mental health is at risk and promote understanding of mental health within the scope of the resources available
- Encourage and support people who wish to work together to enhance and promote mental wellbeing
- Set priorities for the future of our peer support work and training so that we can focus on those aspects of the work which are most important
- Develop a plan for our external training activities which will ensure that they fully meet their costs and deliver clear outcomes both for us and for our customers
- Use the PQASSO quality mark framework to review our governance practices, financial and risk management and measurement of outcomes and ensure that they are appropriate, up to date and of a sufficiently high standard
- Continue to contribute to the development of mental health services by encouraging feedback from users and involvement in consultations
- Work on our relationships with other organizations so that we can achieve clear outcomes together
- Recruit at least two new trustees
- Put effort into strengthening our relationships with supporters and funders

Financial Review

The results of the Company for the twelve months to 30 September 2016 are set out on pages 19 to 26.

The gross income of the company for the period was £260,591. 44% of income came from the London Borough of Sutton and 41% from NHS Sutton; the remaining from other sources.

Gross expenditure amounted to £283,505 giving a net expenditure of £22,914.

Unrestricted funds:

General fund: Balance: £82,809
Held to meet costs which fall outside the scope of restricted or designated funding, including costs arising from new initiatives and in response to specific needs for which no funding has been received.

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Designated Funds:

Business Continuity Fund: Balance: £50,000
This fund has been set up by the Board to be held in reserve in case of cessation of funding by either (or both) the Local Authority and Clinical Commissioning Group (NHS Sutton) to enable the organisation to maintain its activities for a limited period where appropriate whilst seeking to secure alternative funding

Building Fund: Balance: £395,654
Represents the funds raised and used to purchase the premises and to refurbish them, less accrued depreciation. This fund represents the value of fixed assets and is not held in cash

Fund for Future Obligations: Balance: £50,000
Funds held in reserve to meet any adjustment costs resulting from future loss of funding, such as redundancy payments.

Training activities: Balance: £Nil
Fund to represent the surplus or deficit on training activities.

Hopeline:
This fund has been set up to fund the activities of the evening help phoneline at the weekends. At present the funding is less than costs so the shortfall is funded by general funds.

Balance: £Nil

Total Unrestricted and Designated Funds: Balance: £578,463

Restricted funds

Hearing Voices: Balance: £3,377
The residue of a grant of £7,000 received to set up hearing voices groups for younger people. With the agreement of the donor, this funding is now being used for similar purposes.

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Report of the Trustees for the twelve months ended 30 September 2016

Restricted funds/contd....

Renovation: Balance: £15,661
The residue of a fund set up to provide for the modernisation of the Foundation's premises in 2011. This fund is now being used for improvements and repairs to the building as and when they are required.

Safe House Fund: Balance: £22,315
A fund derived mainly from funds raised by the Mayor's charity in 2012/14 to support the development of crisis support services.

Commissioning Advisory Group administrative support: Balance: £3,026
This fund contains the balance of funding provided by NHS Sutton to provide administrative support to the Commissioning Advisory Group during 2016 and 2017.

Belmont and Cheam Connect Learn Support Centres as well as the Sunday Drop In were funded by grants from the London Borough of Sutton. Any surplus has been transferred to General Reserves.

Client and Community Development work is funded by NHS Sutton for work undertaken in the community rather than in the centres, and the annual deficits are funded by the General Reserves.

Investment Policy

Apart from the Building Fund, which is represented by the depreciated value of the Freehold Property, its original improvements and the recent refurbishment, most fund balances are held in bank current and deposit accounts or as cash and as such are immediately available. To increase returns on funds which are to be spent in the short term, the decision has been taken to invest some of the funds on the money market with first class banks for periods of up to one year.

Reserves Policy

The reserves policy calls for reserves to be held in the general funds in the range of three to six months operating expenditure. Based on the last period expenses this would be a financial range of between £70,876 and £141,752. Unrestricted general funds amounted to £82,809 at 30 September 2016.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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Report of the Trustees for the twelve months ended 30 September 2016

The Trustees have continued to seek new opportunities for the Foundation, whilst seeking to reduce costs where possible. The current costs of most activities were fully met during the year although the costs of the two development workers were **not** fully met by the NHS grant. The Trustees continue to keep costs under regular review.

These unrestricted reserves are held in readily realisable assets which the Trustees consider to be assets that are easily converted into cash. The deposits held in the higher interest accounts meet this requirement.

Statement of Trustee Responsibilities

The Trustees (who are also Directors of Sutton Mental Health Foundation for the purposes of Company Law) are responsible for producing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom General Accounting Standards)

Company Law requires the Trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year. In preparing those Financial Statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Observe the methods and principles in the Charities SORP 2015 (FRSSE)
- State whether applicable UK accounting 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 operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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Report of the Trustees for the twelve months ended 30 September 2016

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to re-appoint as Auditors Messrs. Myrus Smith, Chartered Accountants, Norman House, 8 Burnell Road, Sutton, Surrey SM1 4BW will be proposed at the next Annual General Meeting.

Exemption Statement

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

Approved and signed on behalf of the Trustees

Sutton Mental Health Foundation Charity Company
63 Downs Road
Belmont, Surrey
SM2 5NR



Chair
David Jones

Date: 16/4/17



Treasurer
Malcolm Booth

Date: 16/4/17

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY**

(A Company Limited by Guarantee and Not Having a Share Capital)

We have audited the financial statements of Sutton Mental Health Foundation Charity Company for the year ended 30 September 2016 which comprise as the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



K.C. Fisher (*Senior Statutory Auditor*)
For and on behalf of Myrus Smith, Statutory Auditor

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

20-4-2017

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
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**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Notes	Total Unrestricted funds £	Total Restricted funds £	Total Funds 2016 £	Total Funds 2015 £
Income					
Donations and legacies	2	12,228	1,690	13,918	9,416
Charitable activities	3	21,253	223,491	244,744	250,867
Investments	4	349	-	349	580
Other	5	1,580	-	1,580	3,568
Total		35,410	225,181	260,591	264,431
Expenditure					
Charitable activities	6	32,323	251,182	283,505	261,115
Total		32,323	251,182	283,505	261,115
Net income/(expenditure)	8	3,087	(26,001)	(22,914)	3,316
Transfers between funds		(17,236)	17,236	-	-
Net movement in funds		(14,149)	(8,765)	(22,914)	3,316
Reconciliation of funds					
Fund balances brought forward		592,612	53,144	645,756	642,440
Fund balances carried forward		<u>£578,463</u>	<u>£44,379</u>	<u>£622,842</u>	<u>£645,756</u>

The notes form part of these financial statements.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY

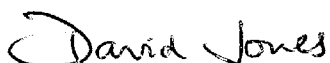
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BALANCE SHEET AS AT 30 SEPTEMBER 2016

	Notes	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	11		396,706		408,172
CURRENT ASSETS					
Debtors	12	59,769		59,108	
Cash at bank and in hand		167,861		179,953	
		<u>227,630</u>		<u>239,061</u>	
CREDITORS: Amounts falling due within one year	13	<u>1,494</u>		<u>1,477</u>	
NET CURRENT ASSETS			226,136		237,584
NET ASSETS	16		<u>£622,842</u>		<u>£645,756</u>
FUNDS					
Unrestricted funds	14		578,463		592,612
Restricted funds	15		44,379		53,144
TOTAL FUNDS			<u>£622,842</u>		<u>£645,756</u>

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Board of Trustees on 16/4/17
and signed on their behalf by



David Jones
Chair



Malcolm Booth
Treasurer

The notes form part of these financial statements.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY
(A Company Limited by Guarantee and Not Having a Share Capital)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost unless otherwise stated.

Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Contract income is recognised as the charity earns the right to consideration through the performance of its services.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably.

Expenditure on charitable activities comprises the costs of running the various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of staff time.

Fund accounting

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds which have been set aside by the trustees for specific purposes.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

Fixed assets and depreciation

Depreciation is provided so as to write off the cost of each asset over its estimated useful life at the following annual rates:

Freehold Property	50 years straight line
Freehold Property improvements	50 years straight line
Office equipment and computers	3 years straight line
Furniture and fixtures	5 years straight line

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY

(A Company Limited by Guarantee and Not Having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
Donations	<u>£12,228</u>	<u>£1,690</u>	<u>£13,918</u>	<u>£9,416</u>

Of the £9,416 received in 2015 £6,726 related to unrestricted funds and £2,690 related to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Grants and contracts	-	223,391	223,391	250,417
Training fees	<u>21,253</u>	<u>100</u>	<u>21,353</u>	<u>450</u>
	<u>£21,253</u>	<u>£223,491</u>	<u>£244,744</u>	<u>£250,867</u>

Of the £250,867 received in 2015, £7,057 related to unrestricted funds and £243,810 related to restricted funds.

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
Bank interest	<u>£349</u>	<u>£Nil</u>	<u>£349</u>	<u>£580</u>

All of the £580 received in 2015 related to unrestricted funds.

5. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Rental income	1,792	-	1,792	2,664
Kitchen income	<u>(212)</u>	<u>-</u>	<u>(212)</u>	<u>904</u>
	<u>£1,580</u>	<u>£Nil</u>	<u>£1,580</u>	<u>£3,568</u>

All of the £3,568 received in 2015 related to unrestricted funds.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY

(A Company Limited by Guarantee and Not Having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2016 £	Total 2015 £
Salaries	187,910	19,608	207,518	195,210
Staff and volunteer costs	8,342	1,885	10,227	12,838
Travel outings	-	240	240	1,062
Premises	-	22,687	22,687	18,131
General office	-	18,593	18,593	18,820
Publicity	-	2,062	2,062	1,022
Professional fees	-	8,600	8,600	-
Governance (note7)	-	2,112	2,112	2,022
Depreciation	-	11,466	11,466	12,010
	<u>£196,252</u>	<u>£87,253</u>	<u>£283,505</u>	<u>£261,115</u>

Of the £261,115 expenditure in 2015, £35,769 was charged to unrestricted funds and £225,346 was charged to restricted funds.

7. GOVERNANCE COSTS

	Total 2016 £	Total 2015 £
Wages and salaries	600	600
Audit fees	1,512	1,422
	<u>£2,112</u>	<u>£2,022</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year is stated after charging:

	2016	2015
- Auditor's remuneration	£1,512	£1,422
- Depreciation	<u>£11,466</u>	<u>£12,010</u>

9. TRUSTEES' REMUNERATION

The trustees neither received nor waived any emoluments during the year (2015: £Nil) nor were they reimbursed any expenses.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY

(A Company Limited by Guarantee and Not Having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. STAFF COSTS

	Total 2016 £	Total 2015 £
Wages and salaries	197,846	184,065
Social security costs	10,272	11,745
	<u>£208,118</u>	<u>£195,810</u>

There was no employee whose emoluments as defined for taxation purposes amounted to over £60,000 in either year.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	2016 Number	2015 Number
Direct charitable activities	9	9
Management and support	3	3
	<u>12</u>	<u>12</u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold property improvements £	Fixtures and fittings £	Office and computer equipment £	Total £
Cost					
At 1 October 2015					
and					
At 30 September 2016	173,682	321,716	23,249	25,000	543,647
Depreciation					
At 1 October 2015	57,316	32,520	22,742	22,897	135,475
Charge in year	3,474	6,434	507	1,051	11,466
At 30 September 2016	60,790	38,954	23,249	23,948	146,941
Net book value					
At 30 September 2016	£112,892	£282,762	£Nil	£1,052	£396,706
At 30 September 2015	£116,366	£289,196	£507	£2,103	£408,172

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY

(A Company Limited by Guarantee and Not Having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. DEBTORS

	2016 £	2015 £
Other debtors	55,304	55,318
Prepayments	4,465	3,790
	<u>£59,769</u>	<u>£59,108</u>

13. CREDITORS – amounts falling due within one year

	2016 £	2015 £
Accruals	<u>£1,494</u>	<u>£1,477</u>

14. UNRESTRICTED FUNDS

	1 Oct 2015 £	Income £	Expenditure £	Project transfers £	30 Sept 2016 £
General fund	97,098	10,067	3,070	(21,286)	82,809
Designated funds:					
Training	(1,632)	21,253	8,536	(11,085)	-
Hopeline	(8,416)	4,090	10,809	15,135	-
Business continuity	50,000	-	-	-	50,000
Future obligations	50,000	-	-	-	50,000
Building fund	405,562	-	9,908	-	395,654
	<u>£592,612</u>	<u>£35,410</u>	<u>£32,323</u>	<u>£(17,236)</u>	<u>£578,463</u>

The purpose of each fund is set out in the Report of the Trustees.

SUTTON MENTAL HEALTH FOUNDATION CHARITY COMPANY

(A Company Limited by Guarantee and Not Having a Share Capital)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

15. RESTRICTED FUNDS

	1 Oct 2015 £	Income £	Expenditure £	Project transfers £	30 Sept 2016 £
Belmont Connect Learn Support	-	93,577	83,272	(10,305)	-
Cheam Connect Learn Support	-	16,000	17,106	1,106	-
Safe House	29,034	-	-	(6,719)	22,315
Client Development	-	37,800	44,804	7,004	-
Community Development	-	37,800	45,600	7,800	-
Hearing Voices	3,434	100	157	-	3,377
1 in 4	-	-	569	569	-
Peer Support Works	-	24,996	46,589	21,593	-
Sunday Drop In	-	5,500	1,688	(3,812)	-
Renovation	13,971	1,690	-	-	15,661
CAG Admin	6,705	7,718	11,397	-	3,026
	<u>£53,144</u>	<u>£225,181</u>	<u>£251,182</u>	<u>£17,236</u>	<u>£44,379</u>

The purpose of each fund is set out in the Report of the Trustees.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted Funds:			
Hearing Voices	-	3,377	3,377
Safe House	-	22,315	22,315
CAG Admin	-	3,026	3,026
Renovation	-	15,661	15,661
	<u>-</u>	<u>44,379</u>	<u>44,379</u>
Designated Funds:			
Business Continuity	-	50,000	50,000
Future Obligations	-	50,000	50,000
Building Fund	395,654	-	395,654
	<u>395,654</u>	<u>100,000</u>	<u>495,654</u>
Unrestricted Funds:			
General Fund	1,052	81,757	82,809
Total	<u>£396,706</u>	<u>£226,136</u>	<u>£622,842</u>

17. RELATED PARTY TRANSACTIONS

There were no transactions with related parties in 2016 or 2015.