

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 2017**

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

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Company Number: 3549053
Registered Charity Number: 1069945

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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 2017

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 (until 3 April 2017)
Trustee:	Steve Francis
Trustee:	Mark Gough (until 3 April 2017)
Trustee:	Doris Richards
Trustee:	Peter Thomas (from 27 February 2017)
Manager and Company Secretary:	Carol Jacques

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

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Report of the Trustees for the twelve months ended 30 September 2017

Report on the year

In July 2017, after a great deal of preparation, we were awarded level 1 of PQASSO (Practical Assurance Scheme for Small Organizations), an award which recognizes sound governance, leadership and management, well planned, user-centred services which are well monitored, robust financial procedures, working well within our team and with external organizations and focusing on learning and development. The trustees would like to thank our own staff and those of Sutton Centre for the Voluntary Sector, for all the assistance they gave in preparing the evidence required for this award.

As part of this work we reviewed our business plan and updated our vision, mission and objectives as follows:

Our Vision: *"A community in Sutton which values mental health and understands how to respond positively to fear and distress"*

Our Mission: *"We work together to promote mental well-being and enable people to play a full part in society"*

Objectives:

- 1. To offer immediate and effective support to people with severe mental health problems, especially at times of crisis**

Outcome: People receive prompt attention, are listened to and are able to take action themselves or with support to address the problems they face.

Indicators: Records are kept which record referrals and requests, the action taken and whether the person concerned is satisfied with the attention they have received.

- 2. To provide a place in Sutton where people can both seek and offer support and build relationships which strengthen their personal and collective resilience**

Outcome: Facilities are open regularly and reliably and people make use of them.

Indicators: People are willing to express their needs and offer positive feedback on how well these have been met.

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- 3. To provide access to information and advice in a safe and supportive setting and referral to specialist advisers when they are needed**

Outcome: Staff and volunteers are able to demonstrate the ways in which they have been able to offer access to useful information and advice or to support people in meeting their own needs; feedback from users on the impact of the help they have received.

Indicators: Records of consultations or other support, including access to external advisers both on and off the premises.

- 4. To create the conditions for a productive dialogue between people who use mental health services and people who commission and provide them**

Outcome: Commissioners and providers of mental health services and bodies like Healthwatch and the CQC engage with people and contributions are made to consultations. Services improve as a result.

Indicators: Records of interactions and their results are kept and made available.

- 5. To offer high quality training and support on mental health and wellbeing to voluntary organizations, schools and employers, informed by the involvement of people who have direct experience of mental health problems and of recovery**

Outcome: Training sessions are funded by recipients or by sponsor bodies and feedback is positive.

Indicators: Records of training sessions held and feedback from them. Evidence of changed perceptions or practices in the environments where training has taken place.

- 6. To recruit, train, deploy and develop a network of peer support workers to support people in crisis or recovery in a variety of situations**

Outcome: People build positive relationships and learn together. They are better prepared for possible crises and support each other if these arise.

Indicators: Numbers of people trained, taking part in peer support and attending co-supervision. Personal testimony to the effectiveness and impact of peer support. Evidence of reduced pressure on other facilities.

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Report of the Trustees for the twelve months ended 30 September 2017

7. To provide telephone support at weekends when other services are less accessible

Outcome: People receive useful support when the telephone lines are open and/or are signposted to other services and facilities.

Indicators: Records of activity and feedback from people who use the service.

8. Develop a funding strategy which supports existing funding flows and encourages the development of new ones, especially corporate and personal giving

Outcome: A better balance between public sector and other funding streams in which resources are devoted to building strong relationships with actual and potential supporters.

Indicators: Evidence of working together with funders and supporters to achieve agreed funding objectives.

These new objectives cut across our various activities but provide a clearer basis for assessing the impact and value of our work. A fuller description of our main activities is given later in this report.

We do not yet have outcome indicators for a full year but the information available for the 2016-17 financial year is as follows:

- 1. Immediate support.** This is provided through the Connect, Learn, Support service funded by the London Borough of Sutton. Records are now being kept of the support offered to individuals, most of which is provided by members of staff as part of their day to day duties. In the course of the year over 200 people received direct support from staff and peer support workers.
- 2. Building relationships and resilience.** Although the closure of the Cheam Centre in September 2016 was greeted with dismay by the beneficiaries who used it, there is no evidence that the overall level of support provided has diminished. People who came to Cheam have almost all continued to receive a service, either at Cheam or through the central Sutton circle of support and other activities of Sutton 1in4. In the course of the year we began two new projects, one to assist prisoners at the point of discharge into the community and the other working with a local mosque to raise awareness of mental health issues and to explore culturally appropriate ways of offering support. This is led by Cecile Bowie.

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3. **Advice and information.** SMHF has not employed its own advice worker for some years. An advice worker from Sutton CAB attends Belmont weekly and three to five people each week benefit from consultations on a wide range of issues, including benefits, debt, housing, bereavement and inheritance. There is a good co-operation between the CAB adviser and other staff at Belmont. Our beneficiaries also have access to a Surrey Law Centre surgery on our premises every two weeks, at which pro bono legal advice is offered by appointment.
4. **Dialogue with mental health services.** Facilitating dialogue with statutory mental health services is a key element in the role of our development workers, funded by NHS Sutton. This is done through the Sutton 1in4 Network and supported by Alan Leader, one of our staff. The main focus of this work this year has been on the co-production with the SW London and St George's Mental Health Trust of improvements to policy and practice in adult safeguarding. Records are kept of all meetings at which this work is taken forward.
5. **External training.** Considerable effort was invested this year in developing contacts which it was hoped would lead to contracts to deliver training. In practice, however, it was found that potential customers found great difficulty in funding this work and the trustees decided that we should no longer devote a substantial amount of staff time to promoting training. Nevertheless we were able to offer mental health awareness training to Sutton College, Sutton CAB and to a firm of hairdressers and we remain willing to offer such training externally to voluntary sector partners when resources allow.
6. **Peer support.** We completed peer support training for a voluntary organization in a neighbouring borough but did not have sufficient local interest to run a course in Sutton. Because of our policy to offer payment for their services to peer support workers we were unable to meet fully a growing level of demand for one to one peer support in the community without unacceptable recourse to our reserves. A sharp cutback in delivery was made in early 2017.
7. **Telephone support.** The promise of support from Tom Brake MP and an element of voluntary effort enabled us to sustain the Hopeline for another year. A total of 159 different people received telephone support through 239 calls in the course of the year, taken by a team of 10 different peer support workers

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Report of the Trustees for the twelve months ended 30 September 2017

8. **Funding strategy.** Once again the staffing pressures on local authorities and the NHS made it difficult to sustain meaningful contact with funders as posts remained unfilled or staffed by interim officers new to the Borough and with very demanding portfolios. We were pleased to receive assurances that our work is valued and of continuing support at existing levels but the long term outlook remains uncertain. We received a number of generous donations.

In the course of the year two trustees resigned, having moved away from Sutton, and one was recruited. We are grateful to Mark Gough and Laura Baker, each of whom had given around six years of valuable service. Peter Thomas brings experience of IT and consultancy work in the NHS and understanding gained from practice in counselling.

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.

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Report of the Trustees for the twelve months ended 30 September 2017

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 and supporting staff in various activities.

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.

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Report of the Trustees for the twelve months ended 30 September 2017

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.

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

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

Belmont Connect

Sessions at Belmont on four weekdays and on Sundays are designed to offer social support to people who experience mental distress. They offer a range of recovery-related activities including physical exercise, arts and crafts, games and outings. Drama and music 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 made 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 part-time development workers 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.

Client development work

The main focus during this period has been working co-productively with South West London and St George's Mental Health Trust on adult safeguarding. Service users were engaged in the development and writing of the Trust Safeguarding policy. They also took part in a number of activities and initiatives to improve safeguarding practice throughout the Trust and in the local authority. This work included producing a report with recommendations on local safeguarding practice, a training video for Trust staff and a "keeping safe" course at the recovery college.

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Joint work began on reducing violence and aggression on inpatient wards and on the use of physical restraint and seclusion within inpatient settings. We continued to hold monthly Signpost Sutton sessions on a range of topics and themes that impact on the lives of people with mental health problems in Sutton. These included sessions on universal credit, the Human Rights Act, housing and mental health and personal independence payments. These sessions are open to all. Future sessions will address the implementation of Sustainability and Transformation Plans for local health services, with specific reference to the Mental Health Five-Year Forward Plan. We will continue to be engaged in the delivery and evaluation of Sutton's Crisis Care Concordat and to develop and encourage the growth of peer-led social activity groups within the context of the Activ8 programme, which also signposts people to relevant activities run by other organizations.

Training

During the year training in mental health awareness and Mental Health First Aid was delivered on several occasions. Whilst these sessions were carefully prepared and much appreciated by the recipients, it became clear that very few organizations were in a position to meet the direct costs of providing such training. After seeking the views of Sutton Clinical Commissioning Group, the principal funder of our development work, the Trustees decided to discontinue efforts to market training as a revenue earning activity and to concentrate the efforts of the development workers in other areas.

Two new projects were conceived and developed by our Community Development Worker. The first focuses on the needs of the local Muslim community in relation to mental health. Initial contacts with a Muslim community association identified a willingness and openness to raise awareness of mental health in this community and to learn how to recognise symptoms and know when it is the right time to seek professional help. A series of workshops is being developed, themed around a number of culturally specific needs relevant to this community.

The second new project, in partnership with the charity People Arise Now, focuses on the mental health needs of prisoners at the point of release into the community. Initial contact takes place before discharge and support is provided in the following weeks and months. This is new work and it is as yet too soon to report on its outcomes but it has been well received.

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Report of the Trustees for the twelve months ended 30 September 2017

Our Development Workers also provide support to the day to day work of Sutton Connect, especially when situations arise where their personal skills and experience are of particular value.

Achievements and performance

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

- We have provided regular support to over 200 people in the course of the year and worked with several other organizations to enhance their understanding of mental health issues.
- Our staff have supported groups including Sutton 1in4 Network, the Central Sutton Circle of Support, Sutton Wellbeing Network and our own peer support workers to enhance and promote mental wellbeing.
- We have withdrawn from offering training to other organizations in order to concentrate on the work for which we receive statutory funding and have revised our arrangements for making sessional payments to peer support workers to make best use of the limited funding available. These steps have stemmed financial losses but at the cost of a reduction in the overall level of activity.
- We have completed a programme of activity which resulted in the award of the PQASSO quality mark at level one.
- Our beneficiaries have maintained some contact with local mental health commissioners through the Commissioning Advisory Group but the effectiveness of this work has been limited by staffing constraints at both the London Borough of Sutton and Sutton Clinical Commissioning Group.
- We have maintained close relationships with Sutton Centre for the Voluntary Sector and Sutton Citizens' Advice Bureau, which have helped us achieve shared objectives.
- We have recruited one new trustee.

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- We have not made significant progress in strengthening relationships with supporters and funders. This remains a priority for the coming year.

Plans for 2017-18

Our plans for 2017-18 reflect the new objectives set out in the introductory section of this report.

Financial Review

The results of the Company for the twelve months to 30 September 2017 are set out on pages 19 to 28.

The gross income of the company for the period was £206,926. 36% of income came from the London Borough of Sutton and 52% from NHS Sutton; the remaining from other sources.

Gross expenditure amounted to £237,449 giving a net expenditure of £30,523.

Unrestricted funds:

General fund: Balance: £60,363
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.

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: £385,745
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

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Funds held in reserve to meet any adjustment costs resulting from future loss of funding, such as redundancy payments.

Training activities: Balance: £717
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: £546,825

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.

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: £1,568
This fund contains the balance of funding provided by NHS Sutton to provide administrative support to the Commissioning Advisory Group during 2017 and 2018.

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.

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Report of the Trustees for the twelve months ended 30 September 2017

Restricted funds/contd....

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 have been 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 £60,363 at 30 September 2017.

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.

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Report of the Trustees for the twelve months ended 30 September 2017

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 2016 (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.

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.

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Report of the Trustees for the twelve months ended 30 September 2017

Auditors

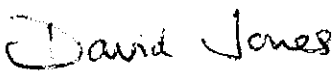
A resolution to re-appoint as Auditors Messrs. Myrus Smith, Chartered Accountants, Norman House, 8 Burnell Road, Sutton, Surrey SM1 4BW will be proposed at the next Annual General Meeting.

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: 9 April 2018


Treasurer
Malcolm Booth

Date: 9 April 2018

**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 2017 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 2016) (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 2017, 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.



Kevin Fisher BA FCA CTA (*Senior Statutory Auditor*)
For and on behalf of Myrus Smith, Statutory Auditor

Norman House
8 Burnell Road
Sutton, Surrey
SM1 4BW

9 April 2018

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 2017

	Notes	Total Unrestricted funds £	Total Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Income					
Donations and legacies	2	13,986	-	13,986	13,918
Charitable activities	3	8,330	180,472	188,802	244,744
Investments	4	916	-	916	349
Other	5	3,222	-	3,222	1,580
Total		<u>26,454</u>	<u>180,472</u>	<u>206,926</u>	<u>260,591</u>
Expenditure					
Charitable activities	6	18,573	218,876	237,449	283,505
Total		<u>18,573</u>	<u>218,876</u>	<u>237,449</u>	<u>283,505</u>
Net income/(expenditure)	8	7,881	(38,404)	(30,523)	(22,914)
Transfers between funds		<u>(39,519)</u>	<u>39,519</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(31,638)</u>	<u>(1,115)</u>	<u>(30,523)</u>	<u>(22,914)</u>
Reconciliation of funds					
Fund balances brought forward		578,463	44,379	622,842	645,756
Fund balances carried forward		<u>£546,825</u>	<u>£45,494</u>	<u>£592,319</u>	<u>£622,842</u>

All income and expenditure derives from continuing activities.

The statement of financial activities includes all recognised gains and losses.

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)

BALANCE SHEET AS AT 30 SEPTEMBER 2017

	Notes	£	2017	£	2016	£
FIXED ASSETS						
Tangible assets	11			385,745		396,706
CURRENT ASSETS						
Debtors	12		48,257		59,769	
Cash at bank and in hand			160,406		167,861	
			<u>208,663</u>		<u>227,630</u>	
CREDITORS: Amounts falling due within one year	13		<u>2,089</u>		<u>1,494</u>	
NET CURRENT ASSETS				<u>206,574</u>		<u>226,136</u>
NET ASSETS	16		<u>£592,319</u>			<u>£622,842</u>
FUNDS						
Unrestricted funds	14		546,825		578,463	
Restricted funds	15		45,494		44,379	
TOTAL FUNDS			<u>£592,319</u>		<u>£622,842</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.

Approved by the Board of Trustees on 9 April 2018
and signed on their behalf by

David Jones

David Jones
Chair

Malcolm Booth

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 2017**

1. ACCOUNTING POLICIES

a) Basis of Preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Income Recognition

Income is included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grant income is recognised in accordance with agreed budgets and timeframes. Amounts received but which relate to future reporting periods are accounted for as deferred income. In the case of multi-year grants, the aggregate amount of future instalments not yet received and which are subject to satisfactory performance is disclosed as a contingent asset.

c) Expenditure and Irrecoverable VAT

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation 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.

Irrecoverable VAT is charged as a cost against the associated expense heading.

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 2017

d) 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.

e) 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

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Donations	<u>£13,986</u>	<u>£Nil</u>	<u>£13,986</u>	<u>£13,918</u>

Of the £13,918 received in 2016, £12,228 related to unrestricted funds and £1,690 related to restricted funds.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Grants and contracts	-	180,472	180,472	223,391
Training fees	<u>8,330</u>	<u>-</u>	<u>8,330</u>	<u>21,353</u>
	<u>£8,330</u>	<u>£180,472</u>	<u>£188,802</u>	<u>£244,744</u>

Of the £244,744 received in 2016, £21,253 related to unrestricted funds and £223,491 related to restricted 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 2017

4. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Bank interest	£916	£Nil	£916	£580

All of the £580 received in 2016 related to unrestricted funds.

5. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Rental income	3,934	-	3,934	1,792
Kitchen income	(712)	-	(712)	(212)
	<u>£3,222</u>	<u>£Nil</u>	<u>£3,222</u>	<u>£1,580</u>

All of the £1,580 received in 2016 related to unrestricted funds.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2017 £	Total 2016 £
Salaries	166,891	13,451	180,342	207,518
Staff and volunteer costs	6,876	1,635	8,511	10,227
Travel outings	-	166	166	240
Premises	-	15,034	15,034	22,687
General office	-	18,683	18,683	18,593
Publicity	-	653	653	2,062
Professional fees	-	700	700	8,600
Governance (note 7)	-	2,400	2,400	2,112
Depreciation	-	10,960	10,960	11,466
	<u>£173,767</u>	<u>£63,682</u>	<u>£237,449</u>	<u>£283,505</u>

Of the £283,505 expenditure in 2016, £32,323 was charged to unrestricted funds and £251,182 was charged to restricted 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 2017

7. GOVERNANCE COSTS

	Total 2017 £	Total 2016 £
Wages and salaries	600	600
Audit fees	1,800	1,512
	<u>£2,400</u>	<u>£2,112</u>

8. NET INCOME/(EXPENDITURE)

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

	2017	2016
- Auditor's remuneration	£1,800	£1,512
- Depreciation	<u>£10,960</u>	<u>£11,466</u>

9. TRUSTEES' REMUNERATION AND EXPENSES

The trustees neither received nor waived any remuneration during the year (2016: £Nil) nor were they reimbursed any expenses.

10. STAFF COSTS

	Total 2017 £	Total 2016 £
Wages and salaries	172,939	197,846
Social security costs	8,003	10,272
	<u>£180,942</u>	<u>£208,118</u>

There was no employee who received total employee benefits (excluding employer pension costs) in excess of £60,000 in either year.

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

	2017 Number	2016 Number
Direct charitable activities	8	9
Management and support	2	3
	<u>10</u>	<u>12</u>

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 2017

11. TANGIBLE FIXED ASSETS

	Freehold property £	Freehold property improvements £	Fixtures and fittings £	Office and computer equipment £	Total £
Cost					
At 1 October 2016 and At 30 September 2017	173,682	321,716	23,249	25,000	543,647
Depreciation					
At 1 October 2016	60,790	38,954	23,249	23,948	146,941
Charge in year	3,474	6,435	-	1,052	10,961
At 30 September 2017	64,264	45,389	23,249	25,000	157,902
Net book value					
At 30 September 2017	£109,418	£276,327	£Nil	£Nil	£385,745
At 30 September 2016	£112,892	£282,762	£Nil	£1,052	£396,706

12. DEBTORS

	2017 £	2016 £
Other debtors	44,307	55,304
Prepayments	3,950	4,465
	<u>£48,257</u>	<u>£59,769</u>

13. CREDITORS – amounts falling due within one year

	2017 £	2016 £
Accruals	<u>£2,089</u>	<u>£1,494</u>

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 2017**

14. UNRESTRICTED FUNDS

	1 Oct 2016 £	Income £	Expenditure £	Project transfers £	30 Sept 2017 £
General fund	82,809	18,124	1,051	(39,519)	60,363
Designated funds:					
Training	-	8,330	7,613	-	717
Business continuity	50,000	-	-	-	50,000
Future obligations	50,000	-	-	-	50,000
Building fund	395,654	-	9,909	-	385,745
	<u>£578,463</u>	<u>£26,454</u>	<u>£18,573</u>	<u>£(39,519)</u>	<u>£546,825</u>

	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 2017

15. RESTRICTED FUNDS

	1 Oct 2016 £	Income £	Expenditure £	Project transfers £	30 Sept 2017 £
Belmont Connect Learn Support	-	69,659	65,349	(1,737)	2,573
Safe House	22,315	-	-	-	22,315
Client Development	-	37,800	41,148	3,348	-
Community Development	-	37,800	40,424	2,624	-
Hearing Voices	3,377	-	-	-	3,377
1 in 4	-	-	58	58	-
Peer Support Works	-	20,280	59,780	39,500	-
Sunday Drop In	-	5,500	1,226	(4,274)	-
Renovation	15,661	-	-	-	15,661
CAG Admin	3,026	9,433	10,891	-	1,568
	<u>£44,379</u>	<u>£180,472</u>	<u>£218,876</u>	<u>£39,519</u>	<u>£45,494</u>

	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>£251,162</u>	<u>£17,236</u>	<u>£44,379</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 2017

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total 2017 £
Restricted Funds:			
Hearing Voices	-	3,377	3,377
Safe House	-	22,315	22,315
CAG Admin	-	1,568	1,568
Belmont	-	2,573	2,573
Renovation	-	15,661	15,661
	<hr/>	<hr/>	<hr/>
	-	45,494	45,494
	<hr/>	<hr/>	<hr/>
Designated Funds:			
PSW Training	-	717	717
Business Continuity	-	50,000	50,000
Future Obligations	-	50,000	50,000
Building Fund	385,745	-	385,745
	<hr/>	<hr/>	<hr/>
	385,745	100,717	486,462
	<hr/>	<hr/>	<hr/>
Unrestricted Funds:			
General Fund	-	60,363	60,363
	<hr/>	<hr/>	<hr/>
Total	£385,745	£206,574	£592,319
	<hr/>	<hr/>	<hr/>

17. RELATED PARTY TRANSACTIONS

There were no transactions with related parties in 2017 or 2016.