

MENTAL HEALTH UK

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

MENTAL HEALTH UK

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MENTAL HEALTH UK

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees

L Paweleck
M Winstanley
A H Thomas
F J Simpson (resigned 23 February 2022)
P Jenkins
A Doherty
N Ward (appointed 23 February 2022)

Charity registered number

1170815

Principal office

28 Albert Embankment
London
SE1 7GR

Independent auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Natwest
2nd Floor, 39 Queen Square
Wolverhampton
WV1 1TL

Solicitors

Bates, Well & Braithwaite
10 Queen Street Place
London
EC4R 1BE

MENTAL HEALTH UK

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees of Mental Health UK present their Trustees Report and the Consolidated Financial Statements for the Charity for the year ended 31 March 2022 as required under the Charities Act 2011 and the Companies Act 2006.

Name and nature of the Charity

Mental Health UK is a Charitable Incorporated Organisation registered with the Charity Commission of England and Wales since 19 December 2016, registered charity no: 1170815. It's governing document is its constitution.

The term "Charity" refers to Mental Health UK and the term "Group" refers to Mental Health UK together with its subsidiary as set out in note 22.

Mental Health UK exists to provide relief and support to people affected by mental illness, to advance research and education as to the causes, consequences and management of mental illness, to provide advice and assistance and promote best practice in the field of mental health and welfare.

Reference and administrative detail

Registered Office:

28 Albert Embankment
London
SE1 7AP

Registered Company Number (England and Wales): CE009425

Registered Charity Number: 1170815

Key management personnel

Chair of the Board

Paul Jenkins

Directors:

Alun Thomas
Anne Doherty
Frances Simpson (*resigned 23 February 2022*)
Lyn Paweleck
Mark Winstanley
Nick Ward (*23 February 2022*)

Appointment of Trustees

Each of the Chief Executive Officers of our founding Charities are chosen to represent their charity on the Board. Independent Trustees were approached at inception and receive relevant training.

Chief Executive Officer: Brian Dow

Senior Executive Officer: Katie Legg

Chief Financial Officer: Tracey Simkins

Organisational Structure

The trustees of Mental Health UK are the charity's Trustees under Charity Law and the Directors of the charitable company. They are responsible for providing leadership, setting strategy and ensuring control. The Chief Executive Officers of our four founding charities are chosen to represent their charity on the Board and two independent Trustees were approached at inception.

MENTAL HEALTH UK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Day-to-day operations of the organisation are managed by the Chief Executive Officer on authority delegated by the Board. The Chief Executive Officer, Senior Executive Officer and the Chief Finance Officer of the charity each has clearly defined areas of responsibility and accountability.

Mental Health UK has 33 dedicated employees who are seconded from our English founding charity, Rethink Mental Illness and draws on the wider resources and 1,000 plus staff within our four founding charities to support activities where required. This model has not only proven cost-efficient and effective but has also enabled Mental Health UK to deliver at pace.

We also have received support from volunteers employed by some of our corporate partners, primarily on *Clic* where they ensure new users are welcomed to the platform, start conversations, and report any posts which violate the site's rules to our team of moderators. We would like to thank Lloyds Banking Group, Neptune Energy and Skipton Building Society in particular for their volunteers support this year.

The Board of Trustees is committed to developing and maintaining high standards of governance throughout the Charity. Our mission "we won't stop until everyone has the tools they need to live their best possible life" lies at the heart of all our work and feeds into the overall strategy, which is set by the Board of Trustees. The latest strategy was adopted at the Board meeting in April 2021 and the strategic objectives have been updated and will guide the work of the charity over the next 5 years.

We have policies and procedures in place that underpin the requirement to act with integrity and in the best interests of the Charity and its charitable purposes.

The Trustees have had due regards to the guidance issued by the Charity Commission on public benefit. They have considered the requirements of the public benefit text and are satisfied that the Charity's activities meet these criteria.

Objectives and Activities

At Mental Health UK we won't stop until everyone has the tools they need to live their best possible life.

Bringing together the heritage and 50 years' experience of four national mental health charities, we are the only mental health charity working UK-wide, delivering both national and local services that enable and empower people to understand and manage their mental health in a person-centred and empathetic way.

With approximately 7.5 million people in the UK living with a diagnosed mental illness⁽¹⁾, and an estimated one in four of us experiencing a mental health problem every year pre-pandemic⁽²⁾, our programmes aim to increase everyone's knowledge and understanding on how to protect and maintain mental health and deliver programmes that support people with complex mental health needs through our four founding charities.

We have been able to make a significant footprint in the areas that deeply challenge our mental health and stability providing support and services for some of the biggest societal challenges that pose a threat to people's mental health. Our programmes focus on:

Understanding mental health

Mental Health UK aims to ensure everyone has the information, education and support they need to live their best possible life. Through our websites, social media, training, programmes and services, we promote knowledge, awareness and understanding of mental health, provide access to quality evidence-based support, reduce mental health stigma and help businesses, schools and communities create mentally healthy environments where people are encouraged to protect and maintain their mental wellbeing.

(1) McManus et. Al. (2016) Mental health and wellbeing in England: Adult Psychiatric Morbidity Survey; available at digital.nhs.uk

(2) Mental Health Taskforce NE. The Five Year Forward View for Mental Health, February 2016; Available at [England.nhs.uk](https://www.england.nhs.uk)

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Money problems

In the UK, it is estimated that 50% of people in debt also experience a mental health problem; and one in five people experiencing a mental health problem also experiences money issues. Through our Mental Health and Money Advice service, Mental Health UK helps people better understand, manage and improve their financial and mental health.

Young people's resilience

75% of mental illnesses start before a person's 18th birthday⁽³⁾. Our young people's programmes aim to equip 14–18-year-olds with the tools and knowledge to maintain their mental health through life's transitions, both now and in the future. We deliver the *Bloom* programme in partnership with schools and colleges and *Your Resilience* in non-educational settings. Our online resource library and Parenting Hub on Clic also offers support to parents and guardians to confidently engage in conversations about mental health, emotional wellbeing and resilience with young people.

Loneliness and isolation

2.6 million adults across Great Britain report that they feel lonely "often" or "always"⁽⁴⁾. Mental Health UK help people across the UK to connect and support each other through our online peer support platform *Clic*.

Navigating through the system

We believe that with the right support, at the right time, people living with mental illness can truly thrive in their community. Through our *Community Mental Health Navigators* programme, Mental Health UK aims to transform the way care and support is delivered to people living with severe mental illness by placing Navigators in primary care settings to link people to local services, support their non-medical needs and reduce pressure on the clinical services.

Mental Health UK's deliver on our charitable objectives by raising funds from individuals, corporate partnerships, trusts and foundations. These funds are distributed to our four founding charities across the UK: Rethink Mental Illness in England, Support in Mind Scotland in Scotland, Adferiad Recovery (formerly Hafal) in Wales and MindWise in Northern Ireland, to deliver our projects as well as grow their own vital services.

Mental Health UK provides strategic oversight of our programmes' implementation by the four founding charities in line with the funder's needs (where restricted). 2021-22 saw Mental Health UK implement a new governance and reporting structure across our programmes, with performance tracked against agreed KPIs on a quarterly basis. This has enabled us to improve delivery as well as better identify the impact of our work, including key lessons which can be used to further strengthen performance.

Some of our key achievements from 2021/22 are highlighted below.

Achievements and Performance

If 2020 was a year of social isolation, insecurity, grief and loss, then 2021 represented, if not a full recovery, then at least the start of one. There is no doubt that the Covid-19 pandemic had a negative impact on the nation's mental health, leading to an increase in the number of people looking for advice and information and seeking our support.

Meeting this demand and delivering our programmes and support remained challenging at times, but thanks to the hard work, commitment and adaptability of staff from Mental Health UK and our four founding charities, we have continued to meet the needs of our service users across the UK, adopting a hybrid approach to service delivery.

(3) Kessler RC et al. Lifetime prevalence and age-of-onset distributions of DSMIV disorders in the National Comorbidity Survey. June 2005; Available at archpsyc.jamanetwork.com

(4) Office for National Statistics: Coronavirus and Loneliness, Great Britain: 3 April to 3 May 2020; Available at ons.gov.uk

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

With schools and offices remaining closed or having restrictions placed on outside visitors for long periods, we continued to offer our workplace training courses and young people's programmes online where necessary or requested. As society started to open up again, we were able to revert to in-person delivery, particularly in schools, however retained a remote delivery option. As hybrid or home-working becomes increasingly common, we have found that our ability to deliver training online or in-person according to the client's needs is enabling us to support more businesses and industries who operate with a geographically dispersed workforce.

We also broadened the way in which we can support employers by launching our new Workplace Mental Health Team. Over the past 12 months they have piloted new approaches with a range of businesses including providing therapeutic coaching and facilitated peer support to support staff experiencing stress and burnout. We've also provided consultancy and partnered with This Can Happen to launch the This Can Happen Index, helping employers to understand the difference between managers' perception and the reality of their employees' mental health. Looking forward, we know that there is a lot more expertise we have in this area which we will use to support many more people with their mental health in the workplace.

Staff on our other projects and services, in particular our Community Mental Health Navigators, also adapted to a hybrid approach, utilising in-person meetings, phone calls, instant messaging apps and online platforms (including *Clic*) according to the service users' needs or preferences. This has not only enabled us to support more people but improved the support that we are able to offer our service users.

Clic, our online peer support platform continues to diversify and grow, helping thousands of people to feel less isolated and find the information and support they need to move forward as part of an online community. With more and more people searching for support online, Mental Health UK's website continues to deliver advice and information on mental health and wellbeing, with a focus on providing people with tips and tools to care for themselves and others as society started to return to normal.

While the ability to evolve our services and support more people online or via hybrid means has been an opportunity created by Covid-19, the increasing demand for mental health support resulting from the pandemic saw us launch new community-based projects across the country, primarily targeting underserved communities that have been most impacted by poor mental health, both before and during the pandemic. This includes people from Black, Asian and Minority Ethnic (BAME) backgrounds through our Helping Communities Prosper project which aims to improve access to mental health services that respond to people's need and support Covid recovery. It also includes people in rural communities, with our Rural Connections project aiming to increase awareness, skills and access to support for those who can often find themselves isolated and cut off from traditional mental health services.

If 2021 was about ensuring people could continue to access information and resources, support and services, both online and in the community, then the next 12 months will be about restoring, rebuilding and relaunching for a post-Covid world, ensuring that Mental Health UK can continue to deliver for those who need us. Especially as new challenges such as the spiralling cost of living and climate crisis start to impact on all our lives. Plans for 2022 are outlined later in this report.

Key achievements in 2021 included:

Understanding mental health

Access to up-to-date information and support is the first step in protecting our mental health, and that of the people we know, love and work with. With Covid-19 continuing to impact on everybody's lives, demand for quality, evidence-based advice and information remained high. There were over eight million views of Mental Health UK and our founding charities advice, information and support webpages last year, with mental health conditions making up 46% of page views on [mentalhealth-uk.org](https://www.mentalhealth-uk.org). There were over 350,000 downloads of information guides and factsheets from our websites, with 89% of people who visited able to find what they were looking for and 86% reporting that their knowledge had improved. In December we partnered with Skipton Building Society to carry out research into UK adults' mental health during the festive period, and found that one-in-three Brits claimed their mental health takes a nosedive over Christmas. This research enabled us to launch a campaign providing advice, tips and tools to help people to look after their mental health over Christmas.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Collectively, Mental Health UK and our founding charities helplines also responded to over 7,000 calls, emails and webchats from people looking for support with their own or somebody else's mental health last year. This was a fall from the previous year when we answered nearly 10,000 calls during the height of the Covid-19 pandemic, nevertheless demand remains high with nearly three out of every four calls going unanswered.

With Covid-19 changing the way we organise, interact and engage with each other at work, Mental Health UK continued our focus on workplace wellbeing in 2021. Our training team continued to deliver sessions ranging from 45 minute 'Lunch and Learns' to half- and full-day Mental Health Awareness and Champions courses. 128 courses were delivered over the year, providing over 4,100 managers and employees with the tools and support to improve mental health in the workplace.

We also established our Workplace Mental Health Team. Over the past 12 months they have piloted new approaches with a range of businesses including providing therapeutic coaching and facilitated peer support to support staff experiencing stress and burnout.

On World Mental Health Day in October, we launched a new co-production with ITN Productions. *Forward Together for Mental Health* explored how the pandemic has advanced the mental health narrative and agenda in the workplace and wider society, focusing on a number of Mental Health UK projects and partnerships with Johnson & Johnson, Lloyds Banking Group and others.

Money problems

Mental Health UK established the Mental Health & Money Advice service in 2017 to help people better understand, manage and improve their financial and mental health. Last year, over 780,000 people visited the website which offer practical advice and guides to managing money, claiming benefits and accessing support if your mental health is impacted by your money and finances. This was a 95% increase on 2020, reflecting growing concerns about rising energy bills, the increase in the cost of living, and the impact on people's financial wellbeing and mental health.

As well as the website, Mental Health & Money Advice delivers a UK-wide helpline that is open to our support services and other referral partners. In 2021, 986 people were referred to the service for 1-2-1 support, a 7% increase on 2020. Across the year, each person referred to the helpline was, on average, £8,206 better off as a result of engaging with the service, providing them with enough financial security to focus on their mental health without having to worry about their money. 81% of service users report increased wellbeing after engaging with Mental Health & Money Advice, while 89% say they have improved capacity to manage their money.

Young people's resilience

Bloom and Your Resilience, our resilience programmes for young people continued to offer both our eight-week full course and Lite sessions online, certainly during the first part of 2021 when many schools remained closed to external visitors. As the country started to open up again, the number of requests for our training associates to deliver courses and sessions in-person increased.

In total, we trained 1,714 teachers, coaches and professionals (a 74% increase on 2020) who have in turn delivered the programmes to more than 83,000 young people (a 40% increase on 2020), more than two thirds of who feel more resilient as a result of taking part. Our *Bloom* Lite courses have proven especially popular with teachers, providing them with an introduction to the programme and the confidence to deliver the rest of the modules in the classroom without a training associate present.

Because of this, we are also developing a Lite version of the *Your Resilience* programme to counteract challenges we have had engaging sports coaches and mental health professionals. Working with teachers, coaches and professionals is essential to the sustainability of these programmes, ensuring that those who work with young people every day are not only equipped to deliver the programme in the future, but also feel more confident to have conversations about mental health and resilience with young people. However, we have found that coaches and mental health professionals working with young people are extremely busy and often unable to commit to the full eight-week programme.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Delivering both full and Lite versions of both *Bloom* and *Your Resilience*, in-person and online, will provide those working with young people different options according to their schedules and needs. This will enable us to reach our ambitious target of over 500,000 young people supported by our programmes by the end of 2024.

Bloom and Your Resilience are also now being supplemented by a new community on *Clic*. Created in partnership with SC Johnson, the Parenting Hub is a space for parents and carers to connect with others. It's a safe environment to share and seek information and advice about supporting children's mental health, as well as looking after your own. The community provides access to expert advice, videos on topics such as 'creating a good environment for discussions' and 'what to do if your child shares that they're struggling', as well as other resources on mental health.

Loneliness and isolation

At the height of the Covid-19 pandemic in 2020, national lockdowns meant that millions of people found themselves cut off from their usual support networks. Whether family or friends, work colleagues or social groups, our forced separation from others took a heavy toll on the nation's mental health, and although some elements of life returned to normal during 2021, many of us struggled with this transition back and continue to feel lonely and isolated day-to-day, even when surrounded by others.

Mental Health UK aims to reduce loneliness and isolation through *Clic*, our free online peer support community. *Clic* provides a safe, supportive environment for people for people to connect for mutual support, share their thoughts and find helpful information. It is moderated 24/7 and features quick chat, forums, live Q&As and information and support pages on the things that keep us mentally well.

In 2021, the community grew by 55%, bringing the total number of users on the platform to 9,690. 77% of users who responded to our survey on the platform said that using *Clic* had made them feel less isolated, while a number of respondents also noted that if they not had discovered *Clic*, they would have 'had nowhere to go'.

For the majority of *Clic* users, having a safe, supportive online community for their mental health complements support they receive offline, either from mental health services or their local community. For others however, *Clic* is the only support available to them. Away from their computer or phone, they are either not connected or engaging with services, organisations or groups in the local area that can support their non-clinical needs and personal journey towards mental health recovery.

At Mental Health UK, we understand how feeling part of your local community has a positive effect on mental health and emotional wellbeing. It provides a sense of belonging and social connectedness that offers extra meaning and purpose to everyday life. Our *Navigators* programme, described below empowers people experiencing mental health problems to access the right support in the community.

As does our *Rural Connections* project. Funded by Neptune Energy, *Rural Connections* aims to overcome some of the barriers to accessing mental health support faced by rural communities across the UK, including loneliness and isolation. The project takes a different approach in each nation depending on the local context, needs and issues.

In Scotland, we have delivered mental health awareness training to 130 people from 42 rural workplaces and community organisations, ensuring that people feel supported by managers and colleagues with whom they connect regularly. In Somerset and North Wales, we have built links with other third sector organisations, councils and the local health board to identify and document mental health and community services across the region. These links have already enabled our services in both places to refer people to the support they need in the community.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Navigating through the system

Mental Health UK believes that with the right support, at the right time, people living with mental health problems can truly thrive in the community. The right support is about more than good quality medical treatment close to home. It also means support in the areas that we all deal with in our day to day lives – how socially connected we are, the state of our finances, the stability of our housing, our physical health, and our ability to work or volunteer. These are the factors that enable people to move from surviving to thriving on the recovery ladder and the theory underpinning our programmes such as *Mental Health & Money Advice* and *Clic*.

Local support for housing, exercise classes, social groups etc. exists in communities across the UK, but a 2019 survey by our founding charity in England, Rethink Mental Illness, for the 'building communities that care' report(5) found that only 30% of people were offered help finding suitable housing or tenancy support, while only 23% were offered support finding a job or staying in work.

Our *Navigators* programme in partnership with Johnson & Johnson aims to transform the way care and support is delivered to people living with mental health problems. Placing Community Mental Health Navigators in primary care settings, their role is to support people to access community support and services for the things that keep us well, helping reduce the pressure on frontline services, GPs and other medical professionals so they can focus on responding to people's clinical needs. In 2021, our Navigators supported 390 people in Grimsby, Bridgend, Stranraer and West Belfast with issues related to housing, employment, money, physical wellbeing and making connections, helping them on their journey towards personal recovery.

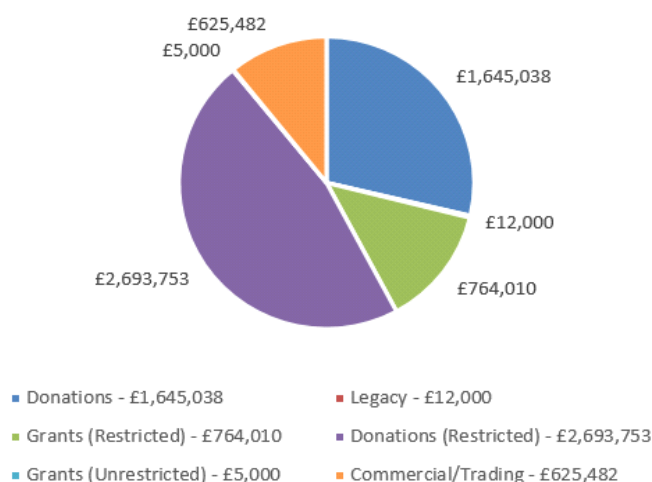
We know our Navigators are valued by both service users and professionals such as GPs. 100% of people who used the service said they would recommend it to others, while 93% of clinical professionals reported that it had enabled them to spend less time on patients' non clinical needs, reducing pressure on the healthcare system.

Financial Review

These accounts represent the period of operations from 1st April 2021 to 31st March 2022. The charity generated £5,130,021 of voluntary income thanks to the generosity of our donors. Trading income totalled £603,066 relating to training and commercial activities.

The pie chart below indicates that the largest area of fundraising income related to restricted funding from corporate partnerships, which have been assigned against the delivery of a series of programmes of work in agreement with our corporate partners

Total Incoming Resources to 31st March 2022



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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

(5) Rethink Mental Illness, Building Communities that Care, 2019; Available at rethink.org

Expenditure

Our expenditure during this period is primarily made up of grant making activity, with distributions made to our four founding charity members in accordance with either:

- the restrictions placed on the income received by Mental Health UK
- in the case of unrestricted income in accordance with the grant framework agreement.

Grants awarded during this period supported the ongoing delivery of the Mental Health and Money Advice Service, our young people's programmes Bloom and Your Resilience, the Community Mental Health Navigators programme, Clic, the Rural Connections programme and the new Helping Communities Prosper Programme, as well as supporting our founding member charities to further their existing programmes and initiatives.

A summary of the breakdown of our expenditure is included in notes 5-8 of the accounts.

Subsidiary company information

Mental Health UK Services Limited operates as the trading subsidiary of Mental Health UK, it commenced trading during 2021/22 providing commercial and training services.

The financial statements of the subsidiary has been consolidated into the financial statements of the Group.

Key Risks and Uncertainties

In relation to the overall financial control procedures, the Charity has in place a plan supplemented by an annual budget approved by the Board of Trustees. Monthly actual results are reported against budget and projections to year end are reviewed by senior management, and the Board of Trustees at appropriate points in their meeting cycle. The Charity's day-to-day financial processes are governed by financial policies approved by the Board. Assurance around compliance with the financial regulations is overseen by Rethink Mental Illness.

Risks are assessed by the Management Team and escalated to the Board accordingly. Trustees are provided with assurance that the major risks which are identified have been reviewed and evaluated on a programmatic basis, taking account of internal controls, systems and other actions pursued to mitigate them. In this way, the Board is satisfied that the risk management strategy is appropriate to the Charity and they have gained assurance regarding the effectiveness of the risk management processes adopted.

The key strategic risks currently facing Mental Health UK are considered to be:

- The ability to continue to generate sufficient income to continue to develop our programmes of work beyond the terms of our existing corporate partnership agreements. As previously indicated we have a clear strategy in place to secure the long-term sustainability of Mental Health and Money Advice beyond the length of the Lloyds Banking Group partnership to ensure that we manage this risk appropriately.
- The long-term change in corporate fundraising. Whilst mental health continues to be a highly relevant cause for big corporations, the way in which businesses are entering partnerships with charities is changing. We are tracking this trend closely and are developing new multifaceted ways of working with big businesses.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Reserves policy

Mental Health UK recognises the importance of maintaining a reserves policy to provide a prudent level of cover to meet future obligations and guard against unforeseen contingencies on a going concern basis.

The reserves of the Charity at the year-end are:

	£
Unrestricted reserves – General Funds	1,830,711
Designated Funds	267,000
Restricted Funds	6,402,515
Total Funds	8,500,226

Our reserves policy focuses on the level of our “free” reserves. Free reserves are defined as net assets excluding restricted funds, designated funds and the element of general funds that have been used to acquire fixed assets for the Charity’s own use.

Our unrestricted reserves at 31 March 2022 were £1,830,711 all of which represent free reserves against a target this year of £135,000. This is sufficient to cover any residual liabilities and redundancies within the support services provided by Rethink Mental Illness as a result of winding up. Free reserves are currently held in excess of the reserves policy whilst the Charity reviews and understands its requirements for investment in projects to be funded from free reserves in the coming years, and how best to utilise these funds to support the strategic objectives as detailed in the corporate strategy adopted by the Board in April 2021.

The Board will keep its reserves approach under regular review to ensure that an appropriate balance is maintained between developing reserves to provide sufficient funds to meet its forward obligation, to provide a reserve against unforeseen events and to provide adequate resources to fund new initiatives in order to promote the charitable objects of Mental Health UK. Further details of reserves held at 31 March 2022 are shown in note 13 to the financial statements.

Going Concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. The budget set for 2022/23 was based on the Lloyds Banking Group Partnership drawing to a close in December 2022. A significant amount of restricted reserves are being held which will fund the Bloom project for a further 3 years and the Help Communities Prosper project for the financial year. The Board have agreed to support the delivery of the Mental Health and Money Advice programme with unrestricted funds and a focus on fundraising going forward.

Areas at risk are the achievement of fundraising and partnership targets and the external training provision. These are being monitored through the monthly management accounts process.

Cashflow projections and forecasts have been prepared covering at least 12 months which support the continued operations of the Charity. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees responsibilities. The areas considered most at risk are noted above.

Plans for the Future

2022 Programmes

If 2021 was able ensuring people could continue to access information and resources, support and services, both online and in the community, then the next 12 months is about restoring, rebuilding and relaunching for a post-Covid world, ensuring that we can continue to deliver for those who need us. The Covid-19 pandemic has had a significant impact on the nation’s mental health. For many who were already living with a mental health problem, the pandemic has exacerbated their condition, while many more in society have found themselves experiencing mental health problems for the first time. With new challenges such as the spiralling cost of living and the climate crisis set to further impact on all our lives, we are needed more than ever.

In line with the objectives set out in our new Strategy 2021-25, Mental Health UK will continue to support the

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

work of our four founding charities in our existing areas of focus.

Understanding mental health

Mental Health UK and our four founding charities will continue to ensure people have access to quality, evidence-based advice, information and support about mental health conditions and how to better protect and maintain mental health.

Through our information platforms (including websites, webinars, information guides) and helplines, we will continue to increase awareness and understanding of mental health and ensure that people can find the information they need to better support their own, or somebody else's mental health. Major campaigns have been built around calendar awareness events including Mental Health Awareness Week and World Mental Health Day. We have again partnered with ITN Productions on a programme called 'Play Your Part', which aims to encourage people to consider the unique contribution they could make in striving for better mental health across society

Our work on diversity and inclusion, is, as it should always be, ongoing. We are striving to ensure that through our work, everyone has access to the support they need in a way that works for them, carrying out internal and external conversations to identify how we can better support communities that have traditionally been excluded from the mental health support and services that meet their needs. We are currently developing a number of information guides around LGBTQIA+ mental health while in partnership with Rethink Mental Illness, we will carry out research looking at racialised communities' experiences of being detained under the Mental Health Act.

Our training and workplace mental health teams will continue working with businesses and employers across the UK to improve knowledge and understanding on mental health and increase people's capacity to challenge stigma. We have recently partnered with This Can Happen to launch the new This Can Happen Index which helps employers understand the difference between managers' perception and their employees' mental health in relation. This will enable us to work with businesses to improve wellbeing at work.

Money problems

Mental Health UK will continue to deliver our Mental Health & Money Advice service in England, Scotland, Wales and Northern Ireland in 2022.

The website will continue to support everyone to better manage their money and mental health with a cost-of-living hub established in August to provide people with tools and resources to help them through the current crisis.

Our UK-wide helpline will also continue to operate, albeit on a reduced scale, providing individuals who enter the service via our referral partners with 1-2-1 support. The long-term sustainability of Mental Health & Money Advice is dependent on identifying new funding streams for the service, both UK-wide and within each individual nation.

In terms of a UK-wide approach, Mental Health UK is developing a new holistic strategy that works with key referral partners across 6 industries and sectors including housing, debt, gambling and energy to provide a wraparound service that supports people with their mental health and money problems, irrespective of how and where those problems present. We are also exploring financial sustainability and how we can utilise our Mental Health & Money Advice service to improve people's knowledge and capacity in this area.

Young people's resilience

Both of our mental health resilience programmes for young people, *Bloom* and *Your Resilience*, will continue to be delivered in schools, colleges and non-educational settings in 2022 with the target of training over 4,000 teachers, coaches and professionals to deliver the course to young people under their care.

Assuming Covid-19 restrictions do not return, we would expect to deliver the majority of courses to be delivered in-person, however the success of online delivery over the past two years means that we will continue to offer this option. Indeed we are expanding our online option for teachers through the creation of *Bloom on Clic*. This community will feature the usual peer support elements of Clic, enabling teachers to share their experiences as support each other, as well as an events calendar where they can sign up for the various training courses which

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

are delivered via Zoom. We are also developing our training into seven e-learning modules that teachers can work through online. *Bloom on Clic* will be launched in September 2022 at the start of the new school year.

Mental Health UK continues to build relationships with sporting bodies across the UK to enable us to deliver *Your Resilience* to young people on elite sports pathways. Working with Children and Adolescent Mental Health Services (CAMHS) has proven more challenging due to demands on staff the time and effort necessary to engage key decision makers. Nevertheless, we are starting to develop positive relationships, particularly in Wales and Scotland. We expect the creation of *Your Resilience* Lite to support us to deliver *Your Resilience* in CAMHS settings across the country.

Loneliness and isolation

Mental Health UK continues to build the capacity and sustainability of our online peer support service *Clic* as a safe online environment where people can interact and support each other. Evolution of the platform is happening primarily through the creation of bespoke communities – either based around geographical locations as is the case with *Clic* communities for *Bristol, Bath, Swindon* and *Wiltshire* or groups, like with the *Parenting Hub, Bloom on Clic* (for teachers) and finally *Homes for Refugees* which is providing support for families and communities hosting refugees in the UK. A review of *Clic* is planned for the second half of 2022 to identify how the site can continue to evolve to meet the needs of its users.

Despite the lifting of restrictions, loneliness and isolation remain a very real concern for millions of people across the UK. Loneliness was chosen as the theme for our Mental Health Awareness Week campaign in May 2022 after research revealed that 1-in-5 people feel lonely at work on a typical day with young people aged 18-24 twice as likely to feel this way as their older peers. Almost half of workers said that they would not feel confident letting a colleague know they felt lonely or isolated at work. Our training and workplace mental health teams will continue to work to create mentally healthy workplaces where there is an open culture and no stigma around seeking support for mental health.

2022 also sees the launch of our *Helping Communities Prosper* project as part of our sixth year of partnership with Lloyds Banking Group. *Helping Communities Prosper* is all about rebuilding mental health services for a post-Covid world, with community services delivered by our four founding charities given funding to carry out repairs and upgrades, plan trips and make purchases which will benefit staff and service users alike, improving the support that people with complex mental health needs receive in communities across the country.

Navigating through the system

Our *Community Mental Health Navigators* programme, supported by Johnson & Johnson, is now being delivered in all four nations of the UK with navigators in Stranraer and West Belfast joining their colleagues in Grimsby and Bridgend. With funding for the *Navigators* project due to finish in England and Wales at the end of December 2022, plans are in place to ensure impact and learning from the project is utilised effectively and our four founding charities are equipped to engage NHS trusts and commissioners to fund a navigator in primary care settings across the country. A Good Practice Guide and Toolkit is being developed to support this roll out.

The community mental health navigators concept will remain at the forefront of Mental Health UK's programmes to ensure that we are supporting people with mental health problems through the system to access support and services in the community. As part of the *Helping Communities Prosper* project, we will be employing navigators to deliver support in different contexts and communities. For example, in London, a physical activity navigator is working with Rethink Mental Illness service users across five boroughs, carrying out health checks, developing exercise plans and supporting them to access teams and classes as a means of improving their physical wellbeing. In Cardiff, we have employed navigators to cover the multicultural Riverside area. They are working with Diverse Cymru to support people from BAME backgrounds who may not be engaging with traditional mental health services access support for their mental health. One area we are exploring is how we can utilise *Clic* as a referral pathway to an online navigator, supporting *Clic* users who may be disconnected from their real-world communities to access support, services and community assets.

Fundraising Activities

We are so grateful to our supporters for continuing to donate and fundraise for us during another difficult year for so many people. Our supporters have helped us to reach people across the UK, giving them the tools to better

MENTAL HEALTH UK

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

manage their mental health. Nearly 1,000 people took part in fundraising events for us during the year, raising £480,671. We received a further £412,257 through donations from our generous supporters.

Despite a unique and challenging year for fundraising, our supporters continued to rise to the challenge and in October we were able to host our first ever home-grown event GLOW, a 20km night walk through London. The event not only created a safe place for people to come together and talk about mental health, but also raised just under £23,000 for the charity.

Prison, probation and youth justice staff from the Butler Trust took part in a national charity challenge 'Hidden Heroes' for Mental Health UK. Bake sales, raffles, beard shaves, sky dives and much more raised over £60,000 making the event an outstanding success.

Finally, in September 2021 we launched a new regular giving lead generation campaign on Facebook, where we offered new supporters a pack of encouraging greetings cards using inspirational quotes from people who have used our services in the UK. Between September and March, 447 people signed up to give via direct debit at an average of nearly £3 per month.

During the year, Mental Health UK worked with professional agencies to deliver creative and digital services. Fundraising activities and engagement with supporters were managed directly by the team.

We received two complaints about our fundraising activities.

Registered with the Fundraising Regulator, all of our fundraising activities are carried out in line with the Code of Fundraising Practice. We take great care with our supporters' data, guided by ICO regulation and set out in our Privacy Policy. Our Supporter Promise sets out our high standards in engaging with supporters.

Approved by order of the members of the board of Trustees and signed on their behalf by:



P Jenkins
Chair of the Trustees
Date: 23 November 2022

MENTAL HEALTH UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2022

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



P Jenkins
Chair of the Trustees
Date: 23 November 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTAL HEALTH UK

Opinion

We have audited the financial statements of Mental Health UK (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 March 2022 and of the Group's 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

MENTAL HEALTH UK

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTAL HEALTH UK (CONTINUED)

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTAL HEALTH UK (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Quality Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional

MENTAL HEALTH UK

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTAL HEALTH UK (CONTINUED)

omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 01 December 2022

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MENTAL HEALTH UK

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Income from:					
Donations and legacies	3	1,684,758	3,445,263	5,130,021	7,112,281
Charitable activities	4	603,066	-	603,066	311,557
Total income		2,287,824	3,445,263	5,733,087	7,423,838
Expenditure on:					
Charitable activities		1,284,065	3,064,481	4,348,546	4,133,300
Total expenditure		1,284,065	3,064,481	4,348,546	4,133,300
Net movement in funds		1,003,759	380,782	1,384,541	3,290,538
Reconciliation of funds:					
Total funds brought forward		1,093,952	6,021,733	7,115,685	3,825,147
Net movement in funds		1,003,759	380,782	1,384,541	3,290,538
Total funds carried forward		2,097,711	6,402,515	8,500,226	7,115,685

MENTAL HEALTH UK

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
Current assets			
Stocks	10	4,485	4,485
Debtors	11	1,594,283	1,848,968
Cash at bank and in hand		8,941,537	6,051,488
		<u>10,540,305</u>	<u>7,904,941</u>
Creditors: amounts falling due within one year	12	(2,040,079)	(789,256)
Net current assets		<u>8,500,226</u>	<u>7,115,685</u>
Total assets less current liabilities		<u>8,500,226</u>	<u>7,115,685</u>
Net assets excluding pension asset		<u>8,500,226</u>	<u>7,115,685</u>
Total net assets		<u><u>8,500,226</u></u>	<u><u>7,115,685</u></u>
Charity funds			
Restricted funds	13	6,402,515	6,021,733
Unrestricted funds	13	2,097,711	1,093,952
Total funds		<u><u>8,500,226</u></u>	<u><u>7,115,685</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



P Jenkins
Chair of the Trustees
Date: 23 November 2022

The notes on pages 23 to 38 form part of these financial statements.

MENTAL HEALTH UK

CHARITY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Current assets			
Stocks	10	4,485	4,485
Debtors	11	1,591,865	1,848,968
Cash at bank and in hand		8,562,786	6,051,488
		<u>10,159,136</u>	<u>7,904,941</u>
Creditors: amounts falling due within one year	12	(1,858,364)	(789,256)
Net current assets		<u>8,300,772</u>	<u>7,115,685</u>
Total assets less current liabilities		<u>8,300,772</u>	<u>7,115,685</u>
Net assets excluding pension asset		<u>8,300,772</u>	<u>7,115,685</u>
Total net assets		<u><u>8,300,772</u></u>	<u><u>7,115,685</u></u>
Charity funds			
Restricted funds	13	6,402,515	6,021,733
Unrestricted funds	13	1,898,257	1,093,952
Total funds		<u><u>8,300,772</u></u>	<u><u>7,115,685</u></u>

The Charity's net movement in funds for the year was £1,185,087 (2021 - £3,290,538).

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



P Jenkins
Chair of the Trustees
Date: 23 November 2022

The notes on pages 23 to 38 form part of these financial statements.

MENTAL HEALTH UK

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	2,890,049	3,614,937
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	2,890,049	3,614,937
Cash and cash equivalents at the beginning of the year	6,051,488	2,436,551
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	8,941,537	6,051,488
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 38 form part of these financial statements

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Charity was set up on 19 December 2016 as a Charitable Incorporated Organisation (CIO), registered in England and Wales, and treated as a public benefit entity.

Its registered office and principal place of business is 28 Albert Embankment, London SE1 7GR.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Mental Health UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking, Mental Health UK Services Limited. The results of the subsidiary are consolidated on a line by line basis.

2.2 Going concern

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees responsibilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.10 Financial instruments

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

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.12 Critical accounting estimates and areas of judgment

In the application of the accounting policies, Governors are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to relevant. Actual results may differ from these estimates.

No significant judgements or estimates have been made in the preparation of these financial statements.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	1,667,758	2,681,253	4,349,011
Legacies	12,000	-	12,000
Grants	5,000	764,010	769,010
	<u>1,684,758</u>	<u>3,445,263</u>	<u>5,130,021</u>

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	1,287,753	4,583,504	5,871,257
Grants	72,400	1,168,624	1,241,024
	<u>1,360,153</u>	<u>5,752,128</u>	<u>7,112,281</u>

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Commercial and educational income	603,066	603,066
	<u>603,066</u>	<u>603,066</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from charitable activities (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Commercial and educational income	276,657	34,900	311,557
	<u>276,657</u>	<u>34,900</u>	<u>311,557</u>

5. Expenditure on charitable activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £
Grants	3,449,529	381,082	3,830,611
Commercial and educational costs	422,446	46,633	469,079
	<u>3,871,975</u>	<u>427,715</u>	<u>4,299,690</u>

	<i>Direct costs 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Grants	3,277,371	334,187	3,611,558
Commercial and educational costs	446,204	55,538	501,742
	<u>3,723,575</u>	<u>389,725</u>	<u>4,113,300</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Analysis of grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Rethink Mental Illness	307,330	1,704,802	2,012,132
Support in Mind	29,930	402,456	432,386
Adferiad (formerly Hafal)	57,383	533,712	591,095
Mindwise	10,220	403,696	413,916
Total 2022	<u>404,863</u>	<u>3,044,666</u>	<u>3,449,529</u>
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Rethink Mental Illness	421,000	1,814,034	2,235,034
Support in Mind	41,000	287,279	328,279
Adferiad (formerly Hafal)	24,000	455,719	479,719
Mindwise	14,000	220,339	234,339
	<u>500,000</u>	<u>2,777,371</u>	<u>3,277,371</u>

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

7. Analysis of support costs

	Unrestricted funds 2022 £	Total funds 2022 £
Finance, HR and IT	189,338	189,338
Events	112,606	112,606
Communication	32,551	32,551
Auditors' remuneration	7,950	7,950
Fundraising	38,727	38,727
Bank charges	4,279	4,279
Legal and bad debts	42,264	42,264
	<u>427,715</u>	<u>427,715</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Finance, HR and IT	253,272	253,272
Events	66,040	66,040
Communication	24,237	24,237
Auditors' remuneration	8,000	8,000
Insurance	5,651	5,651
Just giving charges	15,751	15,751
Bank charges	1,744	1,744
Legal	15,030	15,030
	<u>389,725</u>	<u>389,725</u>

8. Net income/(expenditure)

	2022 £	2021 £
This is stated after charging:		
Auditors remuneration	<u>7,950</u>	<u>8,000</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

10. Stocks

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Stock	4,485	<i>4,485</i>	4,485	<i>4,485</i>

11. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Charity 2022 £	<i>Charity 2021 £</i>
Due after more than one year				
Amounts owed by members	475,688	<i>1,075,688</i>	475,688	<i>1,075,688</i>
	475,688	<i>1,075,688</i>	475,688	<i>1,075,688</i>
Due within one year				
Trade debtors	357,167	<i>126,759</i>	354,749	<i>126,759</i>
Amounts owed by members	600,000	<i>600,000</i>	600,000	<i>600,000</i>
Other debtors	-	<i>17,914</i>	-	<i>17,914</i>
Prepayments and accrued income	161,428	<i>28,607</i>	161,428	<i>28,607</i>
	1,594,283	<i>1,848,968</i>	1,591,865	<i>1,848,968</i>

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS
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12. Creditors: Amounts falling due within one year

	Group 2022	<i>Group 2021</i>	Charity 2022	<i>Charity 2021</i>
	£	£	£	£
Trade creditors	11,744	99,696	11,744	99,696
Amounts owed to subsidiaries	-	-	78,655	-
Other taxation and social security	33,932	-	22,240	-
Other creditors	119,039	-	119,039	-
Accruals and deferred income	1,875,364	689,560	1,626,686	689,560
	2,040,079	789,256	1,858,364	789,256

Included within Other creditors is £119,039 which are funds held on behalf of Lloyds Banking Group for the payment of fundraising expenses on their behalf.

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
Designated funds				
Hopes & Dreams	267,000	-	-	267,000
Clic	-	13,906	(13,906)	-
	<u>267,000</u>	<u>13,906</u>	<u>(13,906)</u>	<u>267,000</u>
General funds				
General Funds - all funds	826,952	2,273,918	(1,270,159)	1,830,711
	<u>826,952</u>	<u>2,273,918</u>	<u>(1,270,159)</u>	<u>1,830,711</u>
Total Unrestricted funds	<u>1,093,952</u>	<u>2,287,824</u>	<u>(1,284,065)</u>	<u>2,097,711</u>
Restricted funds				
Lloyds Banking Group	5,870,311	2,661,543	(2,625,473)	5,906,381
Johnson & Johnson	-	300,770	(297,770)	3,000
Allan & Gill Gray	60,028	368,240	(93,261)	335,007
Neptune	91,394	95,000	(28,267)	158,127
SGN	-	19,710	(19,710)	-
	<u>6,021,733</u>	<u>3,445,263</u>	<u>(3,064,481)</u>	<u>6,402,515</u>
Total of funds	<u>7,115,685</u>	<u>5,733,087</u>	<u>(4,348,546)</u>	<u>8,500,226</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Statement of funds (continued)

Designated Funds

Hopes & Dreams:

A designated fund was set up in 2021 for investment into future activities pertaining to mass scale covid recovery.

Clic:

Clic designated funds represent income generated from the sale of Clic services to be reinvested into continuation of the project.

Restricted Funds

Lloyds Banking Group:

The Lloyds Banking Group restricted funds relate to an agreement with Mental Health UK to establish and run the Mental Health and Money Advice Services across the four member charities, Rethink Mental Illness, Hafal, Support in Mind Scotland and Mindwise.

Johnson & Johnson:

Over the next three years our partnership will enable us to pilot a navigation programme in primary care in four locations across the UK.

Allan & Gill Gray:

Over 2020-22 this partnership will enable us to deliver resilience workshops to young people in CAMHS and sports talent pathways

IWOCA:

This funding enabled us to work collaboratively with iwoca to research the mental health issues and needs of small business owners.

DHSC:

Funding received to support the Mental Health and Money Advice line and Clic during the pandemic.

Neptune:

Funding for supporting people with poor mental health in rural communities.

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Hopes & Dreams	-	-	-	267,000	267,000
General funds					
General Funds - all funds	523,906	1,636,810	(1,064,303)	(269,461)	826,952
Total Unrestricted funds	523,906	1,636,810	(1,064,303)	(2,461)	1,093,952
Restricted funds					
Lloyds Banking Group	3,301,241	4,413,435	(1,844,365)	-	5,870,311
Johnson & Johnson	-	238,193	(238,193)	-	-
Allan & Gill Gray	-	72,400	(12,372)	-	60,028
IWOCA Ltd	-	18,000	(18,117)	117	-
Department of Health	-	950,000	(952,344)	2,344	-
Neptune	-	95,000	(3,606)	-	91,394
	3,301,241	5,787,028	(3,068,997)	2,461	6,021,733
Total of funds	3,825,147	7,423,838	(4,133,300)	-	7,115,685

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Designated funds	267,000	13,906	(13,906)	267,000
General funds	826,952	2,273,918	(1,270,159)	1,830,711
Restricted funds	6,021,733	3,445,263	(3,064,481)	6,402,515
	<u>7,115,685</u>	<u>5,733,087</u>	<u>(4,348,546)</u>	<u>8,500,226</u>

Summary of funds - prior year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
Designated funds	-	-	-	267,000	267,000
General funds	523,906	1,636,810	(1,064,303)	(269,461)	826,952
Restricted funds	3,301,241	5,787,028	(3,068,997)	2,461	6,021,733
	<u>3,825,147</u>	<u>7,423,838</u>	<u>(4,133,300)</u>	<u>-</u>	<u>7,115,685</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Debtors due after more than one year	475,688	-	475,688
Current assets	3,662,102	6,402,515	10,064,617
Creditors due within one year	(2,040,079)	-	(2,040,079)
Total	<u>2,097,711</u>	<u>6,402,515</u>	<u>8,500,226</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Debtors due after more than one year	1,075,688	-	1,075,688
Current assets	265,703	6,563,550	6,829,253
Creditors due within one year	(247,439)	(541,817)	(789,256)
Total	<u>1,093,952</u>	<u>6,021,733</u>	<u>7,115,685</u>

16. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)	<u>1,384,541</u>	<u>3,290,538</u>
Adjustments for:		
Decrease in stocks	-	4,927
Decrease in debtors	254,685	230,710
Increase in creditors	1,250,823	88,762
Net cash provided by operating activities	<u>2,890,049</u>	<u>3,614,937</u>

17. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	<u>8,941,537</u>	<u>6,051,488</u>
Total cash and cash equivalents	<u>8,941,537</u>	<u>6,051,488</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	6,051,488	2,890,049	8,941,537

19. Connected entities

Rethink Mental Illness, Adferiad (formerly Hafal) in Wales, MindWise in Northern Ireland and Support In Mind Scotland in Scotland are all members of Mental Health UK. Mental Health UK is not controlled by any one of these entities. All support costs are recharged from Rethink Mental Illness and total £163,213 (2021: £197,998).

20. Key management personnel

Key management personnel are considered to be the Trustees, none of which received any remuneration during the period. The Senior Management Team are also considered to be key management personnel. Salaries amounting to £107,292 (2021: £145,607), including employers' national insurance and pension contributions were recharged to the charity from Rethink Mental Illness in respect of the Senior Management Team.

21. Volunteers

One of the charity's main donors, Lloyds Banking Group Plc, volunteer staff to help the charity in various ways such as running customer feedback workshops and helping to write databases to develop the helpline as well as other general volunteering. Each Lloyds Banking Group staff member can volunteer up to one day per annum.

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
Mental Health UK Services Limited	10201914	Edmund House, 12-22 Newhall Street, Birmingham, B3 3AS	The provision of educational, training and consultancy services in respect of mental health.

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Mental Health UK Services Limited	597,709	398,255	199,454	199,456