

MENTAL HEALTH UK

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

MENTAL HEALTH UK

CONTENTS

	Page
Trustees Report	1 -16
Independent auditor's report on the financial statements	17 - 20
Statement of financial activities	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24 - 38

MENTAL HEALTH UK

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021

Trustees

L Paweleck
M Winstanley
A H Thomas
F J Simpson
P Jenkins
A Doherty

Charity registered number

1170815

Registered office

15th Floor
89 Albert Embankment London
SE1 7TP

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

Insurers

Markel International Insurance Company
20 Fenchurch Street
London
EC3M 3AZ

Mental Health UK
Financial Statements for the year ended 31 March 2021
Trustees' Report

Who we are

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. Its governing document is its constitution.

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:

15th Floor
89 Albert Embankment
London
SE1 7TP

Registered Company Number (England and Wales): CE009425

Registered Charity Number: 1170815

Key management personnel

Chair of the Board

Paul Jenkins

Directors:

Anne Doherty
Lyn Paweleck
Frances Simpson
Alun Thomas
Mark Winstanley

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 (appointed 1 April 2021)

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.

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 13 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, ISG 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. A Governance Review was carried out at the end of 2020 and a plan has been put in place to address areas of governance that we feel could be improved.

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 illness¹, and an estimated one in four of us experiencing a mental health problem every year pre-pandemic², 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 mark 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.

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 birthday³. 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 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.

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

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

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). Mental Health UK have recently developed an Outcome Measurement Framework to better track and assess the impact of our work against our Strategy 2021 – 25. Some of our key achievements from 2020/21 are highlighted below.

Achievements and Performance

2020 was a challenging, but ultimately rewarding year for Mental Health UK and we must start by recognising the impact of Covid-19 on the nation's mental health. Staff from Mental Health UK and our four founding charities were also subject to the social isolation, insecurity, grief and loss experienced by so many others and it is a testament to their hard work and commitment that we were able to adapt to the 'new normal' and continue to deliver for our service users across the UK.

The pandemic significantly impacted on our ability to deliver some of our programmes and services as planned. With offices and schools closed, we pivoted to deliver our workplace training courses and young people's programmes online. Phone calls, instant messaging apps and online platforms (including our own *Clic*) become a way for staff from our four founding charities to stay in contact with service users. With more people looking for support online, we adapted our advice and information content to meet people's needs, setting up an online Coronavirus 'hub' to offer support and guidance on areas such as looking after your mental health while working from home and supporting employees on furlough.

Yet the pandemic also created opportunities. The move to online ways of working enabled us to reach more people than would otherwise have been possible through in-person delivery of our training and young people's programmes. We were also able to roll out *Clic* as a UK-wide service, offering people a safe online space for social interaction and support at a time when many of us found ourselves cut off from our usual support network. Recognising that many of our most vulnerable service users were digitally excluded, we utilised our partnership with Lloyds Banking Group to secure them devices and training to get online from We Are Digital.

Despite altering our fundraising plans, our staff and supporters adapted fast to major events being cancelled, finding inventive, socially distant ways to fundraise throughout the pandemic. Several of our corporate partners also stepped up during a time of national need, responding to our appeal for Covid support and enabling us to meet the needs of our existing service users and anyone else who found themselves in need of mental health support.

For example, Johnson & Johnson UK granted Mental Health UK £43,513 to extend our *Community Mental Health Navigators* pilot in England and Wales for 5 months, enabling us to respond to the additional demands placed on the primary care system for mental health support at the height of the pandemic.

Key achievements in 2020 included:

Understanding mental health

The restrictions and pressures placed on our lives by Covid-19 in 2020 meant increased demand on Mental Health UK and our four founding charities to ensure people had access to quality, evidence-based advice, information and support about mental health conditions and how to better protect and maintain mental health during such challenging times.

There were over eight million views of our collective advice, information and support pages on our website last year, with our online Coronavirus 'hub' set up to provide help and guidance on areas such as looking after your mental health while working from home, supporting employees on furlough, and how to have an open conversation with young people about the virus. There were over 420,000 downloads of information guides and factsheets from our websites, with 90% of people who visited able to find what they were looking for and 89% reporting that their knowledge had improved.

Collectively, Mental Health UK and our founding charities helplines also responded to almost 10,000 calls, emails and webchats from people looking for support with their own or somebody else's mental health last year. While we're proud of being able to help so many people, nearly three out of every four calls to our advice lines went unanswered in 2020, highlighting the extraordinary demand for support.

With people instructed to work from home wherever possible, our training team also made the transition online, delivering 146 sessions ranging from 45 minute 'Lunch and Learns' to half-day Mental Health Awareness courses across 17 different organisations. This has provided managers and employees with the tools and support to improve mental health in the workplace.

Workplace wellbeing has been high on Mental Health UK's agenda over the last 12 months. With Covid-19 changing the way we work, and concepts such as home working, furlough and social distancing all entering the public discourse, we commissioned YouGov to assess the extent to which UK workers were experiencing heightened stress at work and at risk of burnout. The survey revealed that 59% of working women polled said they felt more prone to extreme levels of stress compared to last year. We used the survey findings to call on UK workplaces to be more proactive in their approach to workplace wellbeing⁵.

Mental Health UK also partnered with iwoca to examine the mental health of small business owners with our research revealing that 80% regularly experienced common symptoms of poor mental health, with the pandemic contributing to an increase in the frequency of panic attacks and signs of depression⁶. Despite this 44% of small business owners said they had never accessed mental health support. Mental Health UK are working alongside iwoca to respond to the findings of the study and develop a tailored mental health support product for small business owners.

⁵ <https://mentalhealth-uk.org/blog/running-on-empty-nearly-1-in-4-working-women-in-the-uk-feel-unable-to-manage-stress-and-pressure-at-work-with-only-44-confident-that-their-employer-has-a-plan-in-place-to-prevent-burnout/>

⁶ <https://mentalhealth-uk.org/blog/four-in-five-small-business-owners-tell-us-theyre-experiencing-poor-mental-health/>

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 400,000 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.

In 2020, the Mental Health UK team developed a toolkit to help people better understand the relationship between money and mental health and take control of their finances. It was co-produced with people with lived experience of mental health and money difficulties and healthcare professionals who support them. It is available for people to download and work through on the Mental Health & Money Advice website and has also been distributed to primary care settings across England. A Welsh version of the toolkit has recently been developed and translated in the Welsh language, while a Scottish version is currently in the works.

Mental Health & Money Advice also offers a referral service that staff from our four founding charities, other services and some partners can refer their clients into. In 2020, 924 were referred to the service for 1-2-1 support. Across the year, each person referred was, on average, £3,500 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. 80% of people who used the service in the last year reported that their mental wellbeing has improved.

“After the first phone call, it took a weight off my shoulders. Now I’m in a good place.” Mike, Mental Health and Money Advice client.

Young people’s resilience

Our young people’s programmes, *Bloom* and *Your Resilience* were also re-imagined in response to the pandemic. Like our workplace training, *Your Resilience* made the transition online, co-delivering the eight-week course alongside coaches and facilitators to young people on elite sports pathways including England Boxing and Rugby League academies. A total of 35 coaches/facilitators and 212 young people were supported on the *Your Resilience* programme in 2020. Working with coaches and facilitators is essential to the sustainability of the programme, 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.

With schools and colleges, like a lot of offices, closed and students studying at home, co-delivering *Bloom* alongside teachers as planned wasn’t possible, although some classroom-based delivery did take place in the latter part of the year. Instead the programme was adapted, with teacher training sessions offered online to equip educators with the tools and resources to deliver the programme independently to their students. This facilitated a significant increase in programme outputs with 948 teachers trained (more than ten times the number originally anticipated) who, in turn, are delivering the course to more than 60,000 young people.

“Feedback from students who completed the course has been incredibly positive. In the current climate where we have seen a significant increase of mental health concerns with young people, this course will help students by giving them lifelong skills to build positive mental wellbeing and develop coping strategies.” Jess, Pastoral Officer at Moulton College, Northampton.

Loneliness and isolation

National lockdowns meant that millions of people found themselves cut off from their usual support networks in 2020. Whether family or friends, work colleagues or social groups, our forced separation from others took a heavy toll on the nation's mental health. Research carried out by the Office for National Statistics in April/May 2020 found that 2.6 million adults in the UK "often" or "always" feel lonely⁷.

In response, Mental Health UK utilised funding from the Department of Health and Social Care to launch *Clic*, our free online community that reduces loneliness and isolation by providing a safe, supportive platform for people to connect for mutual support, share their thoughts and find helpful information. Moderated 24/7 and featuring quick chat, forums, live Q&As and information and support pages on the things that keep us mentally well, *Clic* has seen over 6,000 people registered on the site since it launched in April 2020, with an average of almost 2,000 posts per month. Mental Health UK has also developed several "*Clic Communities*" with local versions of the platform established for people living in Somerset and North Wales to connect with others in their area and access information about local services and support. We continue to work with our founding charities and local commissioners to set up these *Clic Communities* so more people across the UK can build a network and access support in their area.

"Being in a community of like-minded people has lifted my spirits. I have bipolar affective disorder and it causes me to have times when I am depressed and times when I feel elated. Most people in the group have depression and anxiety so they help in the low times most." Hilary, *Clic* user

Clic Spaces is a feature reserved for staff of Mental Health UK and our four founding charities. With groups and services unable to meet in-person due to Covid restrictions, *Clic Spaces* has provided a platform for staff to hold meetings and host events with our clients online. Employing instant messaging technology rather than video, *Clic Spaces* isn't suitable for every activity, however it has provided an alternative for service users who might find phone or video calls challenging for a variety of reasons. Services across Mental Health UK and our four founding charities continue to utilise *Clic Spaces* to support clients.

The pandemic exposed the extent of digital exclusion across the UK, with many people who live with mental health problems having neither the means nor skills needed to adapt to the move online. As well as increasing the sense of loneliness and isolation, it also added to the possibility of people getting stuck in negative loops, behaviours and thinking, as well as undermining confidence in people's daily routines.

In response, Mental Health UK partnered with Lloyds Banking Group and We Are Digital to provide 106 vulnerable service users from across our 4 charities with mobile devices, as well as 1-2-1 support to get online. For those who benefitted, this support was vital, enabling them to connect with family and friends and attend vital appointments with our services and Community Mental Health Teams.

⁷ Office for National Statistics, Coronavirus and Loneliness, Great Britain: 3 April to 3 May 2020; Available at ons.gov.uk

Navigating through the system

We believe that with the right support, at the right time, people living with mental health problems can truly thrive in the community. However knowing what support is available, and then navigating through the system to access it can be challenging. That's why our Advice and Information Services focus on helping people to understand their situation better, have greater knowledge of their rights, and feel more able to take action. We do this through our website (8 million views of advice and information pages in 2020/21) and helplines (10,000 calls, emails and webchats responded to). 89% of people who visited our websites reported that their knowledge had improved as a result.

For Mental Health UK and our four founding charities, 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' report⁸ 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 2020, our Navigators supported 230 people in Grimsby and North Lincolnshire, Bridgend and Pontyclun, South Wales with issues related to housing, employment, money, physical wellbeing and making connections.

⁸ Rethink Mental Illness, Building Communities that Care, 2019; Available at rethink.org

Financial Review

These accounts represent the period of operations to from 1st April 2020 to 31st March 2021. The charity generated £7,112,281 of voluntary income thanks to the generosity of our donors, which exceeded our expectations again for the second year.

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.



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 new young people's programmes Bloom and Your Resilience, the Community Mental Health Navigators programme, Clic and the Rural Connections programme which will kick off in 2021/22, 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.

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 polices 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.

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	1,093,952
Restricted funds	<u>6,021,733</u>
Total funds	<u>7,115,685</u>

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 2021 were £1,093,952 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 2021 are shown in note 14 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 Board have sought to understand and mitigate the impact of COVID-19 as much as possible as the pandemic continues into another financial year.

The budget set for 2021/22 was based on the Lloyds Banking Group Partnership drawing to a close in December 2021. However, we have received confirmation that the partnership will now continue into a 6th year ending December 2022, strengthen the position going forward.

Areas at risk are the achievement of fundraising 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

2021 Programmes

In line with the objectives set out in our new Strategy 2021-25, Mental Health UK will continue to support the work of our four founding charities in our existing areas of focus. 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.

Our priority is to support everyone with their mental health – whether through keeping well or recovering – as the UK starts to emerge out of this crisis.

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.

We are also piloting a new workplace mental health programme that sees Mental Health UK employees seconded into a business to support staff understand and process their work in a way that supports their mental wellbeing and builds resilience.

Our training and development teams will continue working with business across the UK to improve knowledge and understanding and increase people's likelihood to challenge stigma, while our communications and marketing will continue to raise awareness of mental health. Major campaigns have been built around calendar awareness events including Mental Health Awareness Week (10th – 16th May) and World Suicide Prevention Day (10th September). For World Mental Health Day (October 10th), we have partnered ITN Productions on a new programme 'Forward Together for Mental Health' which will give insight into how the pandemic has advanced the mental health narrative and agenda in the workplace and wider society.

Money problems

Mental Health UK will continue to deliver our Mental Health & Money Advice service in England, Scotland, Wales and Northern Ireland. In 2021/22 we are aiming to support 450,000 people through our website, with an additional 2,700 individuals provided with 1-2-1 support through our helpline. As outlined above, a Scottish version of the toolkit developed and available in England and Wales is in progress and will be rolled out shortly.

The long-term sustainability of Mental Health & Money Advice is dependent on identifying new funding streams for the service, either UK-wide or within each individual nation. In England, the service has expanded to deliver the Money and Pensions Service new *Breathing Space* scheme, providing those experiencing a mental health crisis temporary protection from creditors, as well as time and space to engage with our service and find a longer-term solution for their money troubles. MindWise intends to bid for this service in Northern Ireland when the tender is released in 2022. Mental Health UK are also exploring opportunities to deliver Mental Health & Money Advice on a commercial basis.

Young people's resilience

Our young people's mental health resilience programmes, *Bloom* and *Your Resilience*, will continue to be delivered in schools, colleges and non-educational settings in 2021/22.

With the UK starting to open up again and social distancing restrictions relaxed, we are planning to co-deliver *Bloom* face-to-face in 55 schools and colleges across the UK. The success of online delivery during the Covid-19 pandemic has highlighted the viability of this approach as a delivery method capable of reaching more young people. Alongside face-to-face delivery, we will also deliver 102 full *Bloom* and 28 *Bloom Lite* sessions online for teachers, equipping them to deliver the programme without support in their school or college. August also saw us put on "Feeling the Summer", a virtual festival that delivered a range of interactive events such as workshops, panel discussions and Q&A sessions to support young people's mental health.

As with *Bloom*, the lifting of Covid-19 restrictions will enable us to increase the number of *Your Resilience* courses we deliver, with 38 courses planned for professional sport talent pathways in England and Northern Ireland, and 32 planned for young people connected to CAMHS (Child and Adolescent Mental Health Services) in Scotland and Wales. While an increase on 2020/21, this is still less than originally anticipated for year two of *Your Resilience*. We are therefore negotiating with the donor to extend the programme beyond March 2022 in order to reach our original targets for delivery. We are also applying to the donor for a new two-year project that would enable us to take the learning from each nation and deliver in professional sport talent pathways in Wales and

Scotland, and CAMHS settings in England and Northern Ireland – a reverse of the current set up. This new programme would initially be delivered alongside the extension of the current programme.

Loneliness and isolation

Mental Health UK continues to build the capacity and sustainability of our online peer support service *Clic*. Despite the lifting of restrictions on meeting face-to-face, we want to ensure that people can continue to connect online in a safe environment and build a community where people understand and support each other. 24/7 moderation will continue to be provided by our Welsh founding charity Adferiad Recovery, while colleagues from two more of our corporate partners, Skipton Building Society and Neptune Energy have joined Lloyds Banking Group colleagues in volunteering on the site, help in welcome new users and facilitate conversations.

As services and groups run by our four founding charities restart or come back together in-person, Mental Health UK is providing support. Our partnership with ISG Ltd, has seen centres in Edinburgh, Newport and Doncaster renovated. They now provide a more welcoming environment for our clients to meet and engage with services, supporting their recovery.

Navigating through the system

Our *Community Mental Health Navigators* programme, supported by Johnson & Johnson will extend to Scotland and Northern Ireland in 2021/22 with a Navigator placed in primary care settings in Stranraer and West Belfast respectively to support people experiencing mental health problems access support in the community. The programme will also continue in England and Wales with the positive impact of the programme in Grimsby, North Lincolnshire to-date leading our primary care partner to fund the recruitment of 3 new Navigators to work in their other primary care environments in the area.

The murder of George Floyd in April 2020 created an international paradigm shift on the issue of race with Mental Health UK forced to examine its own position and actions in becoming an anti-racist organisation and contributing to the fight for racial equality. It is clear that there are disproportional levels of prevalence of mental illness, poor record of access and outcomes among people from Black and minority ethnic (BAME) backgrounds in the UK, with strong evidence that for years, the health system has consciously and unconsciously discriminated. Levels of mental health stigma also remain high among many communities of colour for a variety of complex reasons.

Mental Health UK is committed to becoming an anti-racist organisation. To this end, we are recruiting an Associate Director of Racial Equity who will be responsible for identifying our scope of work in this area, including how we can do more to ensure the inclusion of marginalised groups across our programmes and support people from BAME backgrounds to navigate the system. One area we are exploring is how we can work with community-based organisations to better understand the barriers to accessing support and redesign the *Navigator* model to meet the needs of BAME communities.

In January 2021, we announced a new partnership with Neptune Energy to support rural communities across the UK to access the support and services they need for their mental health. Our new *Rural Connections* programme will support rural communities in England, Scotland, Wales and Northern Ireland better manage their mental health and live their best possible life.

Based on the research findings which showed people living in rural areas across the four nations faced similar challenges, but required different solutions, the programme emphasises a flexible approach with activities in each nation designed and adapted to meet local needs and complement existing services. Based around three pillars of increasing awareness, skills development and

improving access, the programme contributes across our five focus areas, with Support in Mind Scotland providing mental health awareness training for rural businesses and Adferiad Recovery mapping services across North Wales and supporting people to access the care they need for example.

Rural Connections, along with other Mental Health UK programmes contribute to the vision and mission outlined in our new strategy: Together, we'll better understand and manage our mental health, and we won't stop until everyone has the tools they need to live their best possible life.

Fundraising Activities

We are so grateful to our supporters for continuing to donate and fundraise for us during a difficult year for so many people. Our supporters have helped us to reach people across the UK, giving them the tools to better manage their mental health. Nearly 1,000 people took part in fundraising events for us during the year, raising £537,000. We received a further £204,000 through donations from our generous supporters.

With in person events out for 2020, Mental Health UK's creative supporters kept on raising money in a year where mental health was talked about more than ever before. Fundraisers took on lots of challenges ranging from runs around their gardens and neighbourhoods to live streaming gaming through Reset for Mental Health. Lots of supporters raised money through Facebook, asking friends and family to make a donation in celebration of a birthday or special event.

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 no 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.

Thank you to the Department for Health and Social Care which provided a grant of £950,000 to expand the delivery of online peer support network Clic and the expansion of Mental Health and Money Advice Service.

Statement of Trustees responsibilities in respect of the Trustees' Annual Report and the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with UK Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the Charitable Company and of the excess of income over expenditure for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charitable Company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charitable Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This Annual Report of the Trustees, under the Charities Act 2011, was approved by the Board of Trustees on the 26 November 2021 including approving in their capability as Directors the Trustees Strategic Report and Directors' Report contained therein, and is signed as authorised on its behalf by the Chair of the Board of Trustees.



Paul Jenkins
Chair of the Trustees
Date: 26 November 2021

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

Opinion

We have audited the financial statements of Mental Health UK (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet, the 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources 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 charity 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 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.

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
- sufficient accounting records have not been kept; or
- the 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 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 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 145 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.

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 charity, 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 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 charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity 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 the timing of recognition of 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 omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-

MENTAL HEALTH UK

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

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: 1 December 2021

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

MENTAL HEALTH UK

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Income from:					
Donations and legacies	3	1,360,153	5,752,128	7,112,281	4,387,545
Charitable activities	4	276,657	34,900	311,557	202,243
		<u>1,636,810</u>	<u>5,787,028</u>	<u>7,423,838</u>	<u>4,589,788</u>
Total income					
Expenditure on:					
Charitable activities	5	1,064,303	3,068,997	4,133,300	4,280,188
		<u>1,064,303</u>	<u>3,068,997</u>	<u>4,133,300</u>	<u>4,280,188</u>
Total expenditure					
Net income					
Transfers between funds	13	572,507 (2,461)	2,718,031 2,461	3,290,538 -	309,600 -
		<u>570,046</u>	<u>2,720,492</u>	<u>3,290,538</u>	<u>309,600</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		523,906	3,301,241	3,825,147	3,515,547
Net movement in funds		570,046	2,720,492	3,290,538	309,600
		<u>1,093,952</u>	<u>6,021,733</u>	<u>7,115,685</u>	<u>3,825,147</u>
Total funds carried forward					

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 37 form part of these financial statements.

MENTAL HEALTH UK

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Current assets			
Stocks	10	4,485	9,412
Debtors	11	1,848,968	2,079,678
Cash at bank and in hand		6,051,488	2,436,551
		<u>7,904,941</u>	<u>4,525,641</u>
Creditors: amounts falling due within one year	12	(789,256)	(700,494)
Net current assets		<u>7,115,685</u>	<u>3,825,147</u>
Total assets less current liabilities		<u>7,115,685</u>	<u>3,825,147</u>
Total net assets		<u>7,115,685</u>	<u>3,825,147</u>
Charity funds			
Restricted funds	13	6,021,733	3,301,241
Unrestricted funds	13	1,093,952	523,906
Total funds		<u>7,115,685</u>	<u>3,825,147</u>

The financial statements were approved and authorised for issue by the Trustees on 26 November 2021, and signed on their behalf by:



Paul Jenkins
Chair of the Trustees
Date: 26 November 2021

The notes on pages 23 to 37 form part of these financial statements.

MENTAL HEALTH UK

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	<i>2020</i>
		£	£
Cash flows from operating activities			
Net cash used in operating activities	16	3,614,937	<i>768,152</i>
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		3,614,937	768,152
Cash and cash equivalents at the beginning of the year		2,436,551	<i>1,668,399</i>
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		6,051,488	<i>2,436,551</i>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 37 form part of these financial statements

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

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.

Registered Office, 15th Floor, 89 Albert Embankment, London SE1 7TP.

Principal Office, 1st Floor Castlemill, Birmingham New Road, Tipton, DY4 7UF.

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 2019), 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.

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 2021

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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

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 Charity'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 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.

2.6 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.

2.7 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.

2.8 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 Statement of financial activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.9 Financial instruments

The Charity 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.

2.10 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 Charity 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 Charity 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.

2.11 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 2021 £	Restricted funds 2021 £	Total funds 2021 £
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>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. Income from donations and legacies (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	1,110,120	3,237,425	4,347,545
Legacies	40,000	-	40,000
	<u>1,150,120</u>	<u>3,237,425</u>	<u>4,387,545</u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Educational income	<u>276,657</u>	<u>34,900</u>	<u>311,557</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Educational income	<u>202,243</u>	<u>202,243</u>

5. Expenditure on charitable activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £
Grants	3,277,371	334,187	3,611,558
Educational costs	466,204	55,538	521,742
	<u>3,743,575</u>	<u>389,725</u>	<u>4,133,300</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Expenditure on charitable activities (continued)	<i>Direct costs</i> 2020 £	<i>Support costs</i> 2020 £	<i>Total funds</i> 2020 £
Grants	3,779,526	327,905	4,107,431
Educational costs	157,592	15,115	172,707
	<u>3,937,118</u>	<u>343,020</u>	<u>4,280,138</u>

6. Analysis of grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Rethink Mental Illness	421,000	1,814,034	2,235,034
Support in Mind	41,000	287,279	328,279
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>

	<i>Unrestricted funds</i> 2020 £	<i>Restricted funds</i> 2020 £	<i>Total funds</i> 2020 £
Rethink Mental Illness	513,312	2,036,320	2,549,632
Support in Mind	52,931	434,296	487,227
Hafal	31,573	417,979	449,552
Mindwise	17,144	276,021	293,165
	<u>614,960</u>	<u>3,164,616</u>	<u>3,779,576</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Analysis of support costs

	Unrestricted funds 2021 £	Total funds 2021 £
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
	<hr/> 389,725 <hr/>	<hr/> 389,725 <hr/>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Finance, HR and IT	251,728	251,728
Events	66,144	66,144
Communication	6,636	6,636
Auditors' remuneration	9,300	9,300
Insurance	5,709	5,709
Just giving charges	346	346
Bank charges	3,157	3,157
	<hr/> 343,020 <hr/>	<hr/> 343,020 <hr/>

8. Net income/(expenditure)

	2021 £	2020 £
This is stated after charging:		
Auditors remuneration	8,000	9,300
	<hr/> 8,000 <hr/>	<hr/> 9,300 <hr/>

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Trustees' remuneration and expenses

During the year ended 31 March 2021, no Trustees received any remuneration or other benefits (2020 - £NIL). During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

10. Stocks

	2021 £	2020 £
Stock	4,485	9,412

11. Debtors

	2021 £	2020 £
Due after more than one year		
Amounts owed by members	1,075,688	-
	<u>1,075,688</u>	<u>-</u>
Due within one year		
Trade debtors	126,759	31,576
Amounts owed by members	600,000	1,997,919
Other debtors	17,914	-
Prepayments and accrued income	28,607	50,183
	<u>1,848,968</u>	<u>2,079,678</u>

MENTAL HEALTH UK

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	99,696	-
Amounts owed to members	-	309,437
Other taxation and social security	-	2,471
Accruals and deferred income	689,560	388,586
	<u>789,256</u>	<u>700,494</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Statement of funds (continued)

Designated Funds

Hopes & Dreams:

A new designated fund was set up in the year for investment into future activities pertaining to mass scale covid recovery and funds were transferred from unrestricted funds.

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: Ltd

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

Department of Health (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.

Pizza Hut:

Unrestricted funding to further the aims of the charity. This had been included within restricted funding within 2019 and has been transferred to unrestricted funds the prior year.

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£	£
Unrestricted funds					
General Funds - all funds	273,207	1,352,363	(1,115,572)	13,908	523,906
Restricted funds					
Lloyds Banking Group	3,228,432	3,199,727	(3,126,918)	-	3,301,241
Pizza Hut	13,908	-	-	(13,908)	-
Johnson & Johnson	-	37,698	(37,698)	-	-
	<u>3,242,340</u>	<u>3,237,425</u>	<u>(3,164,616)</u>	<u>(13,908)</u>	<u>3,301,241</u>
Total of funds	<u><u>3,515,547</u></u>	<u><u>4,589,788</u></u>	<u><u>(4,280,188)</u></u>	<u><u>-</u></u>	<u><u>3,825,147</u></u>

14. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020	Income	Expenditure	Transfers in/out	Balance at 31 March 2021
	£	£	£	£	£
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><u>3,825,147</u></u>	<u><u>7,423,838</u></u>	<u><u>(4,133,300)</u></u>	<u><u>-</u></u>	<u><u>7,115,685</u></u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£	£
General funds	273,207	1,352,363	(1,115,572)	13,908	523,906
Restricted funds	3,242,340	3,237,425	(3,164,616)	(13,908)	3,301,241
	<u>3,515,547</u>	<u>4,589,788</u>	<u>(4,280,188)</u>	<u>-</u>	<u>3,825,147</u>

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
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>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020</i>	<i>Restricted funds 2020</i>	<i>Total funds 2020</i>
	£	£	£
Current assets	545,453	3,980,188	4,525,641
Creditors due within one year	(21,547)	(678,947)	(700,494)
Total	<u>523,906</u>	<u>3,301,241</u>	<u>3,825,147</u>

MENTAL HEALTH UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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

	2021	2020
	£	£
Net income for the year (as per Statement of Financial Activities)	3,290,538	309,600
Adjustments for:		
Decrease/(increase) in stocks	4,927	(9,412)
Decrease/(increase) in debtors	230,710	(50,941)
Increase/(decrease) in creditors	88,762	518,905
Net cash provided by operating activities	3,614,937	768,152

17. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	6,051,488	2,436,551
Total cash and cash equivalents	6,051,488	2,436,551

18. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	2,436,551	3,614,937	6,051,488
	2,436,551	3,614,937	6,051,488

19. Connected entities

Rethink Mental Illness, 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 £381,725 (2020: £343,020).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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 £145,607 (2020: £93,876), including employers' national insurance and pension contributions were recharged to the charity from Rethink Mental Illness in respect of the Senior Management Team. There are no other related party transactions in the year ended 31 March 2021.

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.