



Annual Report and Consolidated Financial Statements

31 March 2019

Company Limited by Guarantee
Registration Number
02350846 (England and Wales)

Charity Registration Numbers
801130 (England and Wales)
SC 039714 (Scotland)

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Reference and administrative information about the charity, its Trustees and advisers

Patron	HRH Princess Alexandra The Hon Lady Ogilvy KG GCVO
Trustees	Keith Leslie (Chair) Jenny Paton (Vice Chair) Kyla Brand Peter Byrne (Resigned January 2019) Neil Caldicott (Resigned May 2019) Dr Linda de Caestecker Jacqui Dyer MBE Charles Elvin Paul Hodgkinson CBE (Term ended March 2019) Ann John James O'Leary (Term ended March 2019) Aisha Sheikh-Anene Chris Martin (Appointed July 2019) Siobhan Sheridan (Appointed July 2019) Steve Workman (Appointed July 2019)
Secretary	Peter Davies (Resigned May 2019) John Tyson (Appointed May 2019)
Senior Management Team	Mark Rowland, Chief Executive (Appointed October 2018, previously Director of Fundraising & Communication) Sarah Tite, Director of Fundraising & Communication (Appointed November 2018) Isabella Goldie, Director of Development & Delivery (Resigned March 2019) Antonis Kousoulis, Director of England & Wales (Appointed April 2019) Lee Knifton, Director of Scotland & Northern Ireland (Appointed April 2019) Peter Davies, Director of Finance & Resources (Resigned March 2019) John Tyson, Director of Finance & Systems (Appointed April 2019) Anna Kingsley-Nyinah, Director of HR & Wellbeing (Appointed April 2019)



Reference and administrative information about the charity, its Trustees and advisers

Chair of the Friends of the Foundation	Fiorella Massey
Registered and principal office	Colechurch House 1 London Bridge Walk London SE1 2SX
Website	www.mentalhealth.org.uk
Twitter	@mentalhealth
Facebook	www.facebook.com/mentalhealthfoundation
Company registration number	02350846 (England and Wales)
Charity registration numbers	
England and Wales	801130
Scotland	SC 039714
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Investment managers	CCLA Investment Management Limited COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Bates Wells Braithwaite London LLP 10 Queen Street Place London EC4R 1BE



PREFACE

Our charitable activities focus on prevention. This includes the prevention of mental problems at an early stage in people's lives and the prevention of distress getting worse in those with existing mental health problems. These activities are undertaken for the public benefit.

There is a growing recognition that mental health problems are becoming the single biggest public health challenge that we face, blighting the lives of tens of millions of people. At the same time the NHS and other services are struggling under the pressure to meet demand.

Something needs to change.

Most mental health problems are established in childhood and we need to act early to protect children's mental health and to support family resilience. Our communities face factors such as poverty and discrimination that puts mental health at risk. Many people live in environments that can be corrosive to mental health including those in urban areas where loneliness is increasing.

There is much that we can do ourselves to improve our mental health. But not everyone can achieve this alone. Instead, national and local government must create the conditions that protect and improve mental health in our homes, our schools, our places of employment and across society.

We have made a powerful case for prevention and believe we are at a turning point in public understanding. But now we need to see action that supports this.

In the coming year we aim to lead a movement for change. Mental health problems limit every life. Even if we don't have mental health problems ourselves, we will know someone who does. As such it will require us to reach out widely to persuade people to come together to work collectively towards **better mental health for all**.

Our ambition is to create perhaps the most important cultural shift of our generation.

Our vision is for a world with good mental health for all.

Our mission is to help people understand, protect and sustain their mental health.

Since 1949, the Mental Health Foundation has been the UK's leading charity for everyone's mental health. With prevention at the heart of what we do, we aim to find and address the sources of mental health problems so that people and communities can thrive.



INTRODUCTION BY THE CHAIR OF TRUSTEES

I would first like to thank all the people whose hard work is integral to the Foundation. My fellow Board members, our Patron HRH Princess Alexandra, our excellent staff team, the Friends of the Foundation chaired by Fiorella Massey, the Foundation's supporters more broadly, and the many volunteers, fundraisers, partner organisations and community champions who give up their valuable time to support the work of the Foundation. We simply couldn't do our work without you.

There is a growing recognition of the importance of prevention in mental health; the Department of Health and Social Care have launched a Green Paper to consult on effective prevention and the Prime Minister, Theresa May, recently announced that a prevention revolution in mental health is the vital next step.

This progress follows years of work for increased awareness which must now be converted into real change that makes a difference to people's lives.

The Mental Health Foundation has a unique opportunity in the coming few years to advocate a public mental health approach. We work closely with others including charities, Government Departments, the Scottish Government, the Mayor of London, schools and companies - to name but a few. We work across all political parties and in particular with the Mental Health Ministers Jackie Doyle-Price MP and Clare Haughey MSP and their predecessors. The creation of Scotland's Suicide Prevention Leadership Group in response to our campaign is an example of the difference we make.

Our work in public engagement is also growing. When the Foundation first launched Mental Health Awareness Week (MHAW), few would have envisaged how it has grown to a powerful UK-wide week of events that millions of people get involved with. The 2018 theme and report on Stress; are we coping? had resounding impact.

We continue to test what works in prevention in communities across the UK, whether it's with our ground-breaking peer education work in schools or supporting single parents, prisoners or refugees understand how to protect their mental health. We were also delighted this year to welcome the community interest company, Mental Health At Work, to the Foundation family. Together with them, we are working with hundreds of companies to enable good mental health in the workplace.

We note that 2018/19, as regards our income, was an exceptional year for us, with a final position (£10.2m) more than double that of the average in the previous four years. A significant legacy from the estate of our long-time friend and supporter, Stephen Schick, was partially recognised in the year (£2.5m), which the Trustees have designated to be used in line with delivering our ambitious new strategy for 2020-2025 to achieve a transformation in the Foundation's impact and reach. We welcome the opportunity to work with new partners and donors who share our vision and ambition for good mental health for all.



INTRODUCTION BY THE CHAIR OF TRUSTEES (continued)

Financially, increased reserves and improved financial information give us the ability to invest in delivering transformational action. We have appointed a new chief executive and senior leadership team who bring ideas, expertise, energy and capability to their roles, as well as commitment to the values of the Foundation.

A committed board is being reinforced regularly with new Trustees delivering expertise and input from outside the Foundation. We have concluded a review of our governance, and are confident that we comply with the new regulatory standards for the charity sector.

This Annual Report sets out what we have achieved in 2018/19 and our ambitious plans going forward. I am confident that in years to come we will look back with pride on the role we played in converting increased awareness into much needed change.



Keith Leslie
Chair of Trustees

Date: 17th July 2019



Trustees' report 31 March 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) present their statutory report together with the consolidated financial statements of the Mental Health Foundation (the "Foundation") and its subsidiary (Mental Health at Work) for the year ended 31 March 2019.

The report has been prepared in accordance with Part VIII of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 42 - 46 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Trustees confirm that they have had due regard to Charity Commission's guidance on public benefit.

OUR APPROACH

Our aim is to improve mental health for everyone in the UK, by taking a public mental health approach. We know that this means using different methods to reach groups and communities that have a higher risk of developing mental health problems. Our focus is on prevention. We are committed to learning more about the factors that work to protect or erode our mental health and wellbeing. We also work alongside partners and communities to ensure that we build a sustainable movement for change based on solutions that create the greatest impact.

We do this in four ways:

1) Improving our understanding of how to prevent mental health problems

- ◇ We undertake research that enables us to learn and share what works to prevent and reduce the impact of mental health problems.
- ◇ We form research partnerships with experts in mental health, including people with lived experience, practitioners and academics. This is to ensure we capture a range of expertise and views.
- ◇ We aim to achieve maximum impact and reach by disseminating new knowledge through partnerships and networks and with the public.



OUR APPROACH (continued)

2) Creating new evidence-based solutions

- ◇ We develop, test and deliver programmes that help people sustain good mental health and wellbeing and take early action to prevent problems from developing.
- ◇ We develop, test and deliver interventions to reduce the risk of relapse and improve quality of life for those who have experienced mental health problems and their families.
- ◇ We evaluate our programmes of innovation and share the results and challenges of implementation with partners, networks and other relevant bodies to increase effectiveness.
- ◇ We produce resources and training that supports the implementation of interventions in a range of settings – including schools, workplaces and care homes.

3) Making practical support available

- ◇ We make good quality information that people can trust as accessible to a mass audience as possible through print, broadcast, digital and social media. Our advice is backed by evidence and informed by those with lived experience.
- ◇ We identify emerging or unmet needs of the population and establish research priorities that allow us to find out what works to address these.

4) Advocating for change

- ◇ We provide leadership on prevention and work with partner organisations to make the case for investment in prevention at the highest levels of government.
- ◇ We work with senior policy makers to call for national, evidence-based cross governmental strategies to prevent mental ill-health problems.
- ◇ We campaign alongside our supporters, people with lived experience and other key stakeholders, such as employers and educational institutions, to grow a movement for change.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?

1) Improving our understanding of how to prevent mental health problems

- ◇ We studied how we measure prevention by interviewing experts in the field and working with the Cochrane Common Mental Disorders Group to conduct a systematic review of the most commonly used measurement tools for prevention.
- ◇ We published the Londoners Said report with Thrive LDN which collated and analysed the views of over 1,000 people who were asked what would support their communities to improve mental health.
- ◇ We created a new post of Programmes Manager for Empowerment & Later Life in England and Wales to ensure MHF works explicitly across the life course.
- ◇ We reported on the mental health needs of children and young people with a learning disability.
- ◇ We worked on a joint literature review and engagement project with Public Health Wales to discover what works to prevent mental ill health in the farming community in light of Brexit.
- ◇ We organised the large eMEN conference in London in January 2019 - 'Prevention with digital technologies: expanding the possibilities for better mental health'.
- ◇ We published work investigating the barriers and facilitators to the use of digital technologies for mental health in primary care.
- ◇ We completed a funded research study examining the mental health impact of a cancer diagnosis which we launched in the Scottish Parliament.
- ◇ We completed a funded study 'What works for you?', with which over 50 people in Scotland engaged, utilising a peer research model to identify solutions to rural mental health and isolation.
- ◇ We completed a DRILL-funded peer research study exploring barriers and facilitators to engaging with civic forums for people with enduring mental health problems.
- ◇ We successfully completed the UCan project in Scotland, which engaged 263 young people living with chronic illnesses, to better understand links between chronic illness and mental health and wellbeing to help inform new tools to support self-management.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

1) **Improving our understanding of how to prevent mental health problems**
(continued)

◆ ***Plans for the year going forward:***

- ◇ We will be conducting new research examining if and how the “Londoners Said” workshops changed policy and practice.
- ◇ We will work with Universities to test how we can prepare students for the transition out of school.
- ◇ We will deliver our 'State of the Generation' report, co-produced with young people designed to provide an overview of mental health problems.
- ◇ We will collaborate in a prevalence study of children and young people's mental health in Northern Ireland in partnership with Queen's University Belfast and Ulster University.
- ◇ We have secured funding from a private donor and the Scottish government to lead a study on supporting families and friends bereaved by suicide. This will shape national policy.
- ◇ We will implement a peer research study funded by the National Heritage Lottery Fund to explore the history of mental health and arts in the last 70 years. We will train a large cohort of volunteers in oral history research in 2019.
- ◇ Our 4-year transatlantic programme will include: a conference in UK for businesses and media; a special edition of the journal of public mental health; and a high profile conference in New York with New York University (NYU), Yale and the World Health Organisation in July.
- ◇ We will further expand our Peer Education Project to reach over 30,000 students across the four UK nations.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

Case study: Peer Education Project, England and UK roll out

The Peer Education Project (PEP) – developed in collaboration with and with support from the Friends of the Foundation – aims to equip young people with the skills and knowledge that they need to understand and safeguard their mental health, and that of their peers. Using a train-the-trainer model, PEP trains school staff in how to implement the project in their school. Trained school staff select and train Peer Educators (usually Year 12 students) to deliver a five-lesson mental health syllabus to all Year 7 classes in their school. In this way, a supportive and mentally healthy culture is enhanced across year groups. PEP has grown over the past year with 115 schools accessing the project, with a further 44 schools registered to take part in the coming months.

The project reached more than 23,000 school children in one year with an estimated 230 Peer Educators trained in schools across the UK.

A new online PEP platform has been launched which enhances schools' access to the project, and a new module about Body Image has been co-produced.

We are developing online training options for schools to more quickly access the PEP training regardless of their location. We have enhanced our stewardship of schools to increase their year-on-year uptake of the programme.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

2) Creating new evidence-based solutions

- ◇ We began the year-long Thrive Thamesview pilot scheme aiming to examine better ways of supporting a whole community approach to improve mental health.
- ◇ We secured a £350K grant for Standing Together Cymru. Building on the work of the Standing Together Project in London, by 2021 we will have engaged with over 1,000 people in later life through this peer group intervention.
- ◇ We reported on hate crime and what works in supporting people with learning disabilities.
- ◇ In partnership with Cardiff and the Vale University Health Board, funded by the Transformation Fund from the Welsh Government, we developed an approach in which a team of resilience workers, a clinical psychologist and project manager will join with the education inclusion teams to test out new sustainable solutions for building resilience with those who work with children and young people who have experienced trauma in their childhood.
- ◇ Jointly with the Centre for Mental Health and funded by the Voluntary, Community and Social Enterprise Health and Wellbeing Alliance, we produced 'Engaging with Complexity' - guidance on providing effective trauma-informed care for women.
- ◇ We successfully established a research project in Northern Ireland on empowering approaches to increase physical activity for people with severe mental health problems and successfully established partnership with the University of York and funded membership of research networks (Closing the Gap).
- ◇ We secured funding from the UK Royal Colleges Consortium as co-investigators in TRIUMPH network, a 4-year £1m network led by Glasgow University on prevention of mental health problems with young people. We are planning workshops with UK stakeholders in 3 areas (schools, social networks and marginalised groups) to identify research studies needed.
- ◇ We jointly led as Managing Partners the implementation of See Me in Scotland in addition to contributing learning in our role as research and learning partner.
- ◇ We successfully achieved funding from Scottish Recovery Network to further develop and rollout HOP training in Scotland – an evidence based disclosure programme for employers and communities that we have adapted from the US.
- ◇ We developed the Stress Less toolkit which provides school pupils with skills to manage their mental health at times of pressure and transition. This will be implemented in Scottish schools alongside PEP as part of a whole school approach to mental health.

HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

2) Creating new evidence-based solutions (continued)

◆ ***Plans for the year going forward:***

- ◇ We will pilot an intervention including a holistic group-based approach for children and families where a parent has a mental health problem.
- ◇ We will adapt our existing self-management model to co-produce a new model to best meet the needs of men from the Irish Community between the age 40-54 who were found to be at greatest risk of suicide in North London.
- ◇ We have secured funding as long-term research partners with Barnardo's to evaluate their strategic approach to prevention amongst young people in 3 areas in Scotland, Northern Ireland and North England. This includes secondments to us of academic staff from health, economics and public policy disciplines in an exciting new model.
- ◇ We have established a successful partnership with Scotland Cancer Screening Network to evaluate new approaches to engage people with enduring mental health conditions.
- ◇ We will use ongoing funding as lived experience learning partners for the evaluation of a national programme for Distress Brief Interventions – this is a national prevention innovation in Scotland.
- ◇ We will work with the NHS and education system in Wales to test how the introduction of new trained workers on Adverse Childhood Experiences in schools will improve the resilience and mental health of students.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

2) Creating new evidence-based solutions (continued)

Case study: See Me

See Me is Scotland's national programme to reduce and end mental health stigma and discrimination amongst the whole population. It is jointly led and managed by MHF and SAMH with annual funding of £1.5m from Scottish Government and Comic Relief. A team of 3 funded MHF staff also provide the research and learning function.

Based on international evidence of what works, we have evolved See Me from a social marketing campaign into a public mental health approach applying social movement, human rights, community development and behaviour change interventions at scale. Reach and engagement has been considerable. In schools 150 teachers and over 600 school champions were trained and reached over 19,000 pupils.

Our workplace programme reached over 15,000 employees. Our social movement programme engaged over 100 community influencers and volunteers who delivered anti-stigma activities to thousands of members of the public (over 100,000 badges were passed; over 1,000 people walked a mile).

Our research and learning team is essential to ensuring that See Me applies state of the art approaches and understands what is working and why. The team has undertaken interviews, focus groups, surveys and online analyses with almost 3,000 beneficiaries. The findings are shared promptly with See Me staff and funders in a dynamic action-learning model. The learning has helped to propel See Me forward as a global exemplar in tackling stigma.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

3) Making practical support available

- ◇ We designed new 'Better Mental Health' training which uses psychologically informed techniques to support people in local communities improve their mental health.
- ◇ We published a "How to Look After Your Mental Health in Prison" Guide for Male Prisoners.
- ◇ We published an employers' guide on employing people with a learning disability.
- ◇ We published guides for teachers and parents about how to help children manage their mental health.
- ◇ Sawti: we delivered community conversation interventions to refugee women and extended this to refugee men and young people. 50 people participated in the in-depth workshops over several months.
- ◇ Voices of Experience (Vox): we oversaw and hosted the national mental health membership charity which is helping to shape national policy.
- ◇ Future Pathways: over 1,000 people who experienced abuse or neglect as children in care in Scotland have registered to access support to promote wellbeing (part of a £15m project over 5 years with 5 alliance partners and approx. 40 delivery partners).
- ◆ ***Plans for the year going forward:***
 - ◇ We have received a grant from the Wellcome Trust for a Dads and Football perinatal research and peer project. This funding will engage 48 new Dads with Cardiff City FC and Cardiff University to learn from their experiences which can in turn impact further research. This project will include making 5 short videos which will be showcased before 30,000 fans at Cardiff City games next season during half time.
 - ◇ We are planning one of the biggest surveys on the UK's attitude towards their bodies as part of our 2019 theme for Mental Health Awareness Week #BeBodyKind
 - ◇ We will produce accessible guides for parents and families on managing good mental health at home.
 - ◇ We will develop a revised evidence-based set of top tips for our universal public mental health campaigns and information materials.
 - ◇ Scotland will build upon our three large-scale programmes (Sawti, Vox and Future Pathways) and extend learning across UK teams.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

3) Making practical support available (continued)

Case study: "Perthyn" project, Wales

Refugee project in partnership with British Red Cross. This project is for one year and funded by the Tampon Tax Fund (via Mind). It involves working with 10-12 refugees/asylum seeker (RAS) women in Newport, South Wales who have a reasonable grasp of English.

These women are being trained by MHF to become peer leaders of international groups. These groups are helping participants develop emotional literacy initiating discussions through different words in different languages e.g. belonging, change, hope, trust etc. The training is a 'mentoring' type of training where the practitioners demonstrate in a group, then work alongside the RAS in their groups and then watch the RAS deliver and give constructive feedback.

Eventually, the peer leaders will be able to safely run peer support groups themselves giving an extra layer of available support and resilience for those who are new to this country.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

4) Advocating for change

- ◇ We published a key research report and produced clear policy recommendations for Mental Health Awareness Week (MHAW) 2018 report 'Stress: Are we coping?', and organised a successful parliamentary reception to launch the report.
- ◇ We developed and led the #MakeltCount campaign to put mental health at the heart of what children learn at school
- ◇ We met with the Department of Education and provided a detailed submission to consultation on the new Relationships Education, RSE and Health Education curriculum, which will be compulsory in schools in England from September 2020, with many of our recommendations reflected in the revised guidance. Following the production of a 'How to look after your mental health as an elite Rugby player' guide we have begun advocating to change the way professional sports teams view and work with the mental health of their players.
- ◇ We played a full part in the Mental Health Policy Group which is an influential assembly of six mental health charities that work together to advocate on areas of shared concern, such as the Mental Health Act Review and the funding of public health.
- ◇ We joined the National Suicide Prevention Alliance for the first time, and started working with the Zero Suicide Alliance.
- ◇ We organised a parliamentary launch for our report "Living in Fear", securing substantial interest from both houses on our recommendations on addressing hate crime against people with learning disabilities.
- ◇ We engaged the public on emerging mental health research, recording several podcasts (5 in collaboration with the British Journal of Psychiatry), many of which received over 3,000 listens.
- ◇ We seconded our staff to help shape and deliver Public Health England's national Mental Health promotion campaign, Every Mind Matters.
- ◇ We delivered the thirteenth Scottish Mental Health Arts & Film Festival, funded by health and arts partners, and reaching over 20,000 members of the public at over 300 events.
- ◇ Our refugee civic partnerships programme in 3 local authority areas in Scotland encouraged involvement in local mental health forums by refugees. We supported 12 volunteers directly as activists who engaged over 100 refugees in localities.
- ◇ We jointly led the health and wellbeing group of New Scots, the national strategic body for refugees, and ensured prevention was a focus.
- ◇ We successfully lobbied for a national leadership group for suicide prevention and were invited to play a leading national role.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

4) Advocating for change (continued)

◆ ***Plans for the year going forward:***

- ◇ We will influence the content of the government's Prevention Green Paper in England.
- ◇ We will Chair the Mental Health Policy Group in England and Wales for the first time.
- ◇ We will advocate for the regulatory changes we have called for in our MHAW 2019 report 'Body image: How we think and feel about our bodies'.
- ◇ We will take our seat on the Government's National Suicide Prevention Strategy Advisory Group, chaired by the Minister for Suicide Prevention.
- ◇ We will influence Scotland's youth mental health commission towards prevention.
- ◇ We will develop our funded youth panel and engage 100+ young people to deliver training to health staff to enable understanding of life with a chronic health condition in Scotland.
- ◇ We will extend our refugee engagement programme to 3 additional local authority areas across Scotland.
- ◇ We will play a lead role in the Body Image Forum established by the Scottish Government.



HOW DID WE DO AGAINST THESE OBJECTIVES OVER THE LAST YEAR (2018-19)?
(continued)

4) Advocating for change (continued)

Case study: Love Island cosmetic surgery ads

Not all campaigns are policy led. Some respond to 'social movements' and public opinion. Some are much shorter campaigns but high impact. We took a lead, along with NHS England's CEO, in condemning ITV's decision to place plastic surgery adverts during ITV's Love Island, which is watched by millions of people each year. We argued that the juxtaposition of the advert and the programme was potentially harmful to vulnerable young people. We also took issue with the advert's message that you can only enjoy an aspirational lifestyle if you undertake cosmetic surgery.

We chose to pursue this as we had a lot to say on body image. Our research from MHAW 2018 found that around half of young people have felt so stressed by body image and appearance that they felt overwhelmed or unable to cope. This campaign allowed us to reach a target audience and respond to a growing root cause of emotional distress. By engaging in the campaign we made ourselves relevant and spoke on a key issue of importance to young people. It was also an opportunity to call out an injustice and demand change.

We wrote to the Advertising Standards Authority, the Secretary of State for Media and ITV's CEO. We published our letter to ITV on our social media channels and secured media opportunities, including broadcast. We engaged with stakeholders and other sector colleagues and built momentum for the campaign. These efforts resulted in the ASA banning the adverts – a clear win for MHF and our allies.



OUR APPROACH TO FUNDRAISING

"Thank you so much for supporting the Mental Health Foundation; you absolutely 100% changed my life"

Matthew, supporter of Mental Health Foundation

We know that the people who support the Mental Health Foundation do so for many reasons, some very personal and we are honoured every time our supporters share these stories with us. We are grateful for the support and trust that is afforded to us by each donation we receive. Every donation is helping to transform lives. We would like to extend our thanks to the those listed below for their support.

We believe that charities are the link between supporters and beneficiaries, and that fundraising is all about the conversations we are having together, building lasting and mutually fruitful relationships. This year the Mental Health Foundation has been focusing fundraising on talking with people where they themselves are having conversations whether on the street, online, at work or in their local communities. Bringing people together who want to make a difference by supporting the Mental Health Foundation.

Royal Patron

HRH Princess Alexandra
The Hon Lady Ogilvy KG GCVO

Friends of the Foundation

Fiorella Massey (Chair)
Claire Beecham
Sindy Caplan
Michaela Caraffa
Janie Critchley
Caroline Bettaney Cruddance
Georgina David
Marianne De Giorgio
Mary Fitter
Kate Glick
Alison Goldberg
Fiona Grunschlag
Susan Heller
Candice Hurwitz
Vanessa Jossel
Marsha Lee
Jennifer Leigh
Maxine Leslau
Alison LurieRiquita Newmark
Wendy Press,
Francesca Tait

Unrestricted Trusts and Foundations (greater than £10,000)

Peacock Charitable Trust	£27,000
The 3Ts Charitable Trust	£15,000



OUR APPROACH TO FUNDRAISING (continued)

Legators

We are grateful to all the people who chose to support the Foundation with a gift in their Will. We have listed below all the legacies where a cash amount or quantifiable notification of more than £10,000 was received during the year 2018/19.

James Hammond Morphet	£583,257
Rosemary Elizabeth Smith	£582,759
Kenneth Jesse James Young	£71,662
Barbara Wright	£60,000
Vera Mavis Collins	£29,857
Janet Griffiths	£18,178
Arthur Oliver Trafford	£15,153
Cyril Hugh Nailer	£15,000
Harold Howie Borland	£13,811
Rita Mary Gregory	£10,000
Sheila Margaret Penelope Portman	£10,000

A legacy for the future security of the Foundation

Stephen Michael Schick had supported the Mental Health Foundation since 1991, and in 1993 chose, in his Will, to make the Foundation the beneficiary of the whole residue of his estate. He had no close family, having lost his parents many years ago, and lost his stepbrother, who had struggled with schizophrenia, to suicide in the early 2000s. Sadly Stephen passed away in 2016. In May 2019, we received a first instalment of £2.5m, which has been recognised in these 2018/19 accounts.

His estate included a two bedroom flat in Oscar Wilde's old house in Tite Sreet, Chelsea, and membership of Lloyds of London. Stephen was a regular at Ascot and Glyndebourne, and was active in Chelsea Young Conservatives.

Stephen was featured in the Foundation's 2008 Annual Report and our 2009 Legacy booklet, talking about how important it was for him to leave a legacy in order to change attitudes to mental health, and to speak publicly about his brother's mental health difficulties.

We are immensely grateful that Stephen chose to support us in this way.

Corporate supporters

Special thanks to our friends and supporters at Yogscast and Humble Bundle, PayPal & PayPal Giving Fund, Creditfix, Moore Stephens, Hitachi Consulting, Brakes, Tempur, Sainsbury's Group Commercial Division, HMRC Manchester, WTK Financial Services, Unfiltered Society, True Colours Video, Squire Patton Boggs and WebHelp.



OUR APPROACH TO FUNDRAISING (continued)

Highest Standards and compliance

The Mental Health Foundation is committed to ensuring we uphold our duty of care to our supporters, and effective regulation lies at the heart of this. The Foundation's fundraising and communications sub-committee of the board continues to have oversight the Foundation's ethical policy and fundraising compliance.

We seek to uphold the highest standards of fundraising both of our staff and of the organisations who work on our behalf. We are registered with the Fundraising Regulator and a member of the Institute of Fundraising as well as the Public Fundraising Operational Users Forum which oversees regulation of face to face activities. We have ensured that effective whistle-blowing policies in place to ensure any poor practice is reported. We monitor calls and we train fundraisers about how to protect vulnerable people that they engage with, as well as having commercial participator agreements in place with corporate partners. Although we received no formal complaints this year, we continue to monitor concerns that don't necessarily become complaints. We recognise the importance of complying with data regulations while also ensuring we continue to innovate and invest for the future.

Public fundraising

We continue to engage face to face with hundreds of people through our fundraisers across the UK helping us engage with a wider audience and turning these conversations into action by recruiting new regular supporters who help contribute to a strong sustainable Foundation.

Community fundraising

We saw a growth in income from our fundraising events; bringing people together in their communities all having fun together and raising vital money by walking, running and eating, with a shared belief that no one should face mental health problems alone. In January we launched a new fundraising initiative, Curry & Chaat. At the centre of its development was our belief that it is vitally important we connect with, hard-to-reach audiences like men, challenging stigma alongside raising money.



OUR APPROACH TO FUNDRAISING (continued)

Corporate partnerships

Our corporate programme continued to grow in diversity and value. Growing attention towards mental health saw us nominated for charity of the year for a range of businesses.

Creditfix, the Glasgow based insolvency practitioner, raised £23k this year, after clients identified the key role mental health played in debt. The Manchester office of global legal firm Squire Patton Boggs selected us as their charity of the year, raising £28k. This included £20k in a single evening from our first black-tie ball in aid of the Foundation, bringing together clients, partners and legal professionals from across the North West. Moore Stephens also gave a donation of £15k from dormant client funds.



May saw mattress and pillow manufacturer Tempur UK link up with us to promote the benefits of good sleep and mental health, giving out information and selling green ribbons in retail stores and running a cause related marketing campaign donating for every mattress sold in May, raising £5k.

We were honoured to once again be selected as a beneficiary charity of the Yogcast Jingle Jam 2018. The Jingle Jam is a charity fundraising drive where games channel Yogscast brings together a bundle of exclusive games and content, hosting a live stream throughout December. Viewers and subscribers from across the world pay to receive the bundle of content, with proceeds going to a range of charities. This year we received over £300k from the Jingle Jam, taking the total raised for the Foundation through the Jingle Jam to over £1m since 2014.

This year we took our professional service offer to workplaces to scale. We delivered workplace mental health programmes with Yorkshire Building Society and Brakes, reaching around 1,000-line managers in the two businesses with our PRESUME line manager training. Both businesses framed training in the context of wider activities on mental health. YBS supported Mental Health Awareness Week via their public social media channels, and Brakes hosted Curry and Chaat events across their 7,000-strong workforce.



OUR APPROACH TO FUNDRAISING (continued)

Corporate partnerships (continued)

On 27 July 2018, Mental Health at Work CIC joined the Foundation family as a subsidiary of the Mental Health Foundation. Mental Health at Work's mission is to remove the stigma around workplace mental health, normalising conversations which help organisations thrive. It provides customised, facilitated programmes to raise awareness of mental health issues, address stigma, build skills to manage and enable businesses to integrate mental health into their culture at every level. Joining forces with Mental Health at Work CIC will enable MHF to increase income from professional service delivery, reach broader business audiences and increase the scope of corporate fundraising partnerships.

Joining the movement

Since we launched the green ribbon pin for World Mental Health Day on 10 October 2017, it has become a well known symbol for mental health awareness.

Last year, we sold 4,361 green ribbon pins. This year, 62,947 green ribbons were sold and worn with pride!

Many green ribbon supporters who gave us consent to contact also became regular givers, helping us build a more sustainable Foundation for the future.

People wear the ribbon for many different reasons:

- ◇ in support of a loved one who may have experienced mental health problems
- ◇ as a sign of empowerment and acceptance because they have personal experience of a mental health problem
- ◇ to join the movement because everyone has mental health and should be supported to understand, protect and sustain good mental health throughout their lives

We asked our supporters: why are you wearing the green ribbon pin?

"My cousin. I want him to know I'm there for him without saying a word."

"I had a complete nervous breakdown five years ago which required hospitalisation. I recovered and want to wear your green pin to show my support for mental health awareness."

"Being a male, I have struggled with (and am still working out) how I fit in the world and how I manage the expectations society places on my gender to be "strong, tough, resilient" etc. I plan on wearing my badge on my hats to invite others to talk about men's mental health. I feel that I am in a good place to shift the expectations society has on men one conversation at a time."



OUR APPROACH TO FUNDRAISING (continued)

Mental Health Awareness Week 2018

The theme for the week was Stress – Are we coping? The week was the most successful ever in terms of engagement. We had the most media coverage we have ever had for the week. Our media monitoring agency reported 653 press mentions of the Mental Health Foundation compared to 253 last year. This included news articles in most national newspapers including the Times, Independent, Guardian, Daily Mail and a range of magazines including Grazia, Marie Claire, InStyle and many others.

Our media monitoring agency also reported 353 broadcast mentions during the week compared to 407 last year. This included appearances on BBC Breakfast, ITV, Sky News, Sky Sports and other high value channels.

We also had engagement from 25 celebrities – compared to one celebrity the previous year. This included celebrity ambassador David Harewood and many others who tweeted pictures of themselves wearing pins. Among the were Graham Norton, Nadiya Hussein, Olivia Colman and people from the music, fashion and sports sectors.

Our digital reach was also hugely extended. The Twitter thunderclap reached 7.5 million people – 1 million more than last year. The theme Mental Health Awareness Week was trending on Twitter for one day before the week had begun. Tuesday 15 May 2018 was our busiest ever day on the website with nearly 62,000 users. Overall we had nearly 250,000 visitors to the website over the week – the most users we have ever had. Our tweets reached more than 2 million people. We have had 160,000 views of our Mental Health Awareness Week animation on stress.

Supporters organised 580 events (that appeared on our online map). Last year we had 460. We lit up a number of buildings in green – most notably Edinburgh Castle, Crathes Castle, the Hydro and the Millennium Bridge in Newcastle. In London and other major cities, a number of buildings were turned green by partners including The Bank of England and the Home Office.

We advertised the green pin campaign in the Westfield shopping centre reaching an estimated audience of two million people. A partnership with Tempur mattresses led to almost 3,000 TV ads featuring our branding heavily on channels including Sky, ITV and Channel 4 through the week.

Theresa May MP and Jeremy Corbyn MP both wore green pins at Prime Minister's Questions, and Nicola Sturgeon helped personally launch the week in Scotland



OUR APPROACH TO FUNDRAISING (continued)

Digital innovation

Throughout the year, we have been producing more digital content across three social media channels, Facebook, Twitter and Instagram. This includes a series of blogs on mental health topics, more personal stories, and podcasts. As our own podcast series develops we contributed our expert advice to a special Audible Original podcast series What Do I Do?: Mental Health and Me hosted by Kelly Holmes.

We have shifted the focus from promotion to self-management, providing useful information for those looking for advice and sharing relatable stories so that no one who has experienced mental health problems feels alone. This has led to a growth in people following our channels. The popularity of our Facebook page means that many people have chosen us as a charity to give to online.

It is only with our supporters that the Mental Health Foundation can continue to help people to understand and take action on mental health. We continue to adhere to the following promises:

- ◇ To uphold the highest standards of fundraising practice
- ◇ To respect and protect information and data you share with us
- ◇ To ensure we accurately communicate on how we spend the money given to us
- ◇ To acknowledge when we make mistakes and take action

What next?

We will continue to build public engagement in the Foundation, maximising opportunities for influence and partnerships. We will drive forward innovation in fundraising and explore new income streams helping build a strong sustainable Foundation for the future. Our ongoing supporter communications will be improved and targeted to selected groups of supporters.

Spotlight on supporters

"You're amazing!"

Fiona Garwood tells us why she chose to support the Mental Health Foundation.

The Mental Health Foundation relies on the support we receive from thousands of individuals who support our life-changing work in many valuable ways or have joined the movement helping spread the message that good mental health is for all.

You are amazing.
Thank You.

Here's what YOU achieved...

- ◇ 476,000 helped share our message across Instagram, Facebook and Twitter
- ◇ £1.9m donated via Facebook by users on the site's Page Fundraisers
- ◇ 62,947 green pin badges sold
- ◇ 32,606 direct debit gifts received
- ◇ 3,855 cash gifts donated



FINANCIAL REVIEW

Financial results for the year ended 31 March 2019

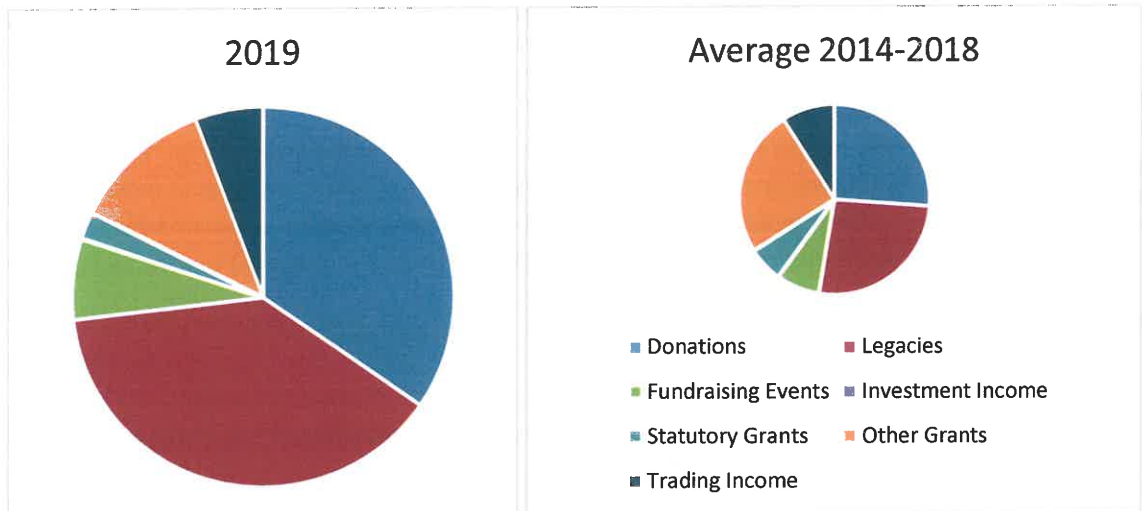
The Foundation recorded a surplus of £4.5m compared to £0.9m the previous year.

Income – £10.1m (2018: £5.8m)

£2.5m of this surplus related specifically to the extremely generous bequethment by Stephen Schick of around £3.5m to the Foundation in his Will, of which £2.5m was received in May 2019, and has been accrued for in the 2018/19 accounts. The Trustees have agreed that these funds should be designated for future investment, to ensure that they are utilised best to support the ongoing growth of the Foundation, tackling the many areas in which we work (see note 15).

The growth in the Foundation's income is also directly due to the growing recognition across the world of the importance of intervention in mental health. Our fundraising team has seen growing donations from online platforms, leading to a £2.2m overall increase in donated income.

The split of overall income streams of the Foundation, comparing those in 2018/19 and the historic average over the preceding 4 years, is as follows:



Whilst legacy income can fluctuate significantly, with 2018/19 and 2017/18 seeing unusually large bequests, the Foundation has historically received legacy income of around £1m per year.

Over the previous four years, restricted income accounted for around 34% of total income. Due to generous unrestricted donation volumes in 2018/19, this was 22% this year (excluding the Schick legacy). The Trustees recognise the need to balance appropriate sources of income for the continued success of the Foundation, and challenge the Senior Management Team to monitor this. We maintain good relationships with all of our grant funders.

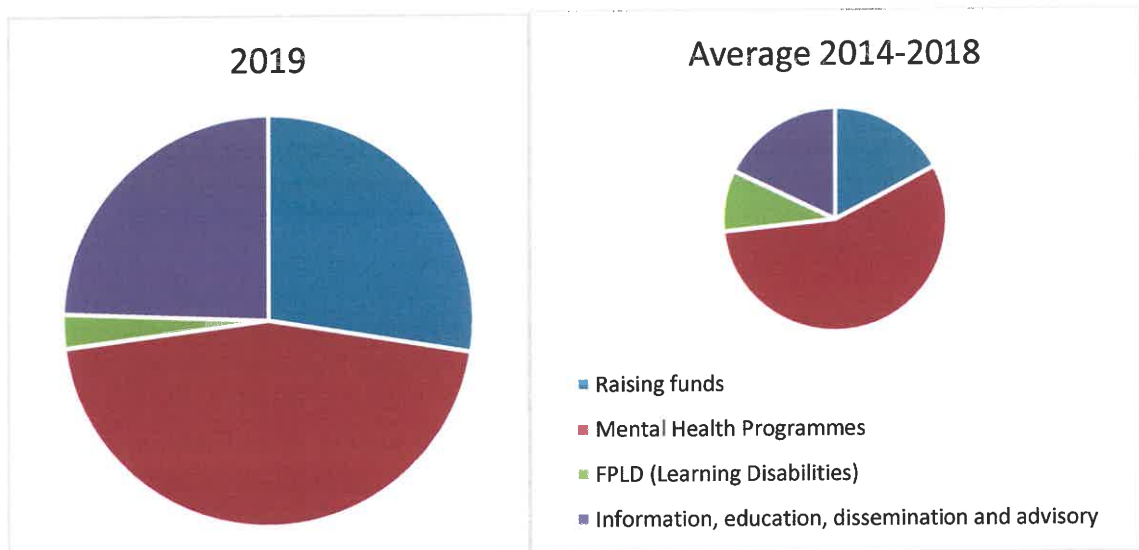


FINANCIAL REVIEW (continued)

Expenditure – £5.6m (2018: £4.9m)

Total expenditure increased mainly through continued investment into our fundraising capabilities, though costs of raising funds decreased slightly from 17% of income to 15% due to the significantly higher income in the year. Senior Management recognises that for the Foundation to grow, it must find ways to increase its overall income. Future investment in fundraising will be managed through the Schick Legacy designated funds.

The split of overall expenditure areas of the Foundation, comparing those in 2018/19 and the historic average over the preceding 4 years, is as follows:



Information, Education, Dissemination and Advisory continued to be a key area for the Foundation, following investment in 2017/18, as we prepared for another highly successful Mental Health Awareness Week in May 2019, and stepped up our engagement with national and regional policy.

Balance Sheet – Net Assets £7.2m (2018: £2.7m)

On the balance sheet, debtors have increased by £2.1m due to legacy accruals (+£2.0m), whilst cash increased by £2.7m due to generous unrestricted donations on online platforms. Senior Management plans to look for ways to responsibly invest these cash balances to increase income returns from them, whilst also ensuring liquidity, managed risk, and ethicacy.

The total net assets are represented by general funds of £3.7m, restricted funds of £1.0m, designated funds of £2.5m, and permanent endowment funds of £45k which are to be held indefinitely by the charity.



FINANCIAL REVIEW (continued)

Reserves policy

Charities hold reserves for a variety of reasons - to manage the charity's resources where income is subject to uncertainty in terms of timing, to ensure that the charity has sufficient financial resources to meet its upcoming liabilities, and to provide funds which enable the charity to take advantage of new investment opportunities when they arise.

As noted above, the level of general reserves at 31 March 2019 was £3.7m. This represents 11.4 months of unrestricted expenditure (up from 7.2 months last year). The Trustees estimate that the charity's reserves should be no less than 3 months expenditure and therefore this is a more than adequate level of reserves.

However, the Mental Health Foundation is reliant to a significant extent on legacy income. Such income is recognised once entitlement to the funds is probable and it is able to measure the amount due to it. For the year ended 31 March 2019 the amount of such notifications that had not yet been received in cash was £0.9m, including £0.2m brought forward from 31 March 2018. This demonstrates that although the charity may appropriately recognise income in accordance with the SORP, cash receipts associated with these entitlements may be significantly delayed.

As a result, in addition to a target of minimum reserves the Trustees have decided to set a target level of cash reserves equal to at least 2 months' total expenditure based on liquid funds available for immediate use. At 31 March 2019 the charity held £3.9m of cash and current asset investments which is 12.0 months of total annual expenditure which is an appropriate level of cash balances.

Whilst the Trustees recognise that the Foundation's general reserves and cash reserves are above their reserves policy, they prudently anticipate that these reserves will be sufficient to allow the Foundation's transformational change over the next four to seven years, to deliver, at scale, programmes, education and advocacy with a significantly greater reach than based on current levels of expenditure. As such, they believe the levels of reserves will be fully utilised over that time, and the Foundation's annual expenditure will grow such that the required respective 3 month and 2 month bases will be higher.

Due in part to the fortuitous financial position that the Foundation is currently in, the Trustees have agreed to designate the Schick Legacy received (£2.5m) for future investment. It is expected the designated fund will be spent over a four to seven year period. The Trustees have established the designated fund to finance the strengthening regional presence of the Foundation across the UK, to invest in fundraising, to develop programmes at scale, and to ensure the future financial and cultural sustainability of the Foundation. In future, similar exceptional large legacies will be reviewed, to decide whether they should also be designated, to ensure they are used to further the long life of the Foundation.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Mental Health Foundation is constituted as a company limited by guarantee, Company Registration No. 2350846 (England and Wales), and is a registered charity, Charity Registration Nos. 801130 (England and Wales) and SC 039714 (Scotland).

The Group's subsidiary, Mental Health At Work CIC, is a company limited by shares, Company Registration No. 10473373 (England and Wales).

On 22 March 2018 the Annual General Meeting approved new Articles of Association to meet current Company and Charity Law requirements and to provide the appropriate legal framework for the Foundation's activity.

Members' liability

In the event of the charitable company being wound up during the period of membership or within the year following, company members are required to contribute an amount not exceeding £1.

Trustees

The Trustees constitute directors of the charitable company for the purposes of the Companies Act 2006 and are also members of the charitable company.

Trustees are appointed for an initial three-year term and may be re-elected for a further two three-year periods. In exceptional circumstances the Board may resolve that a Trustee may serve one further term of a maximum of three years. At any one time there must be a minimum of 3 Trustees.

Trustee recruitment and appointment

The recruitment of Trustees is carried out by the Governance Committee which recommends individuals to be appointed by the Board as a whole. New Trustees are sought through a number of different routes - from time to time Trustee posts may be advertised.

Trustee induction and training

New Trustees' induction is carried out by the Chair and Chief Executive and they are additionally invited to spend time with any department of the Foundation in which they are interested. Training is provided as required.

Trustee Meetings

The Trustees must hold at least four Board meetings each year. In addition, the Board has four sub-committees which usually meet quarterly: Finance & Resources, Fundraising & Communications, Delivery & Development and Governance.



STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Mental Health Foundation for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the income and expenditure of the charitable company and the group 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 in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 in operation.

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 the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.



STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' responsibilities (continued)

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Management arrangements

The Trustees delegate the management of the Foundation to the staff team led by the Chief Executive and the Senior Management Team (SMT). Following the departure of the previous Chief Executive at the start of 2018, the Trustees put in place an interim management arrangement, whereby the Senior Management Team, comprising of the Director of Finance and Resources, the Director of Development and Delivery and the Director of Fundraising and Communications operated a pooled leadership model, while the Board recruited to the Chief Executive position. The successful recruitment of the existing Director of Fundraising and Communications into the Chief Executive role in October 2018 meant that the management structure reverted to its usual modus operandi.

Appointment policy

The Mental Health Foundation is an equal opportunities employer and applies objective criteria to assess merit. It ensures that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

The Foundation is a signatory to the Mindful Employers' Charter which is a voluntary initiative which aims to provide employers with easier access to information and local support in relation to staff experiencing stress, anxiety, depression or other mental health conditions. Signatories are encouraged to incorporate policies and procedures that make their workplaces more welcoming of people who have experienced such conditions.

Remuneration policy

The Mental Health Foundation is committed to ensuring a fair and equal remuneration process for all staff so that we can ensure all staff are paid appropriately for the work they do for us.

The key management personnel of the charity comprise the Trustees and the Senior Management Team (SMT). The overall responsibility of the charity lies with the Trustees who have delegated the day-to-day management of the charity to the SMT.

Responsibility for setting salaries for the CEO and members of the SMT rests with the Trustees; responsibility for setting other salaries has been delegated to the SMT and CEO.



STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Remuneration policy (continued)

The Foundation implemented a pay and benefits system in 2016 which provides a clear structure for salaries for new appointments and for salary progression for existing staff.

Pension arrangements

The Foundation operates a non-contributory individual money-purchase scheme for all eligible members of staff, contributing 10% of pensionable salary to each employee's fund. Employees can additionally choose to make employee contributions to their pension. The scheme is fully compliant with auto-enrolment regulations.

Project delivery

Projects are delivered through a combination of in-house and external research, practice development, publications and other dissemination activities. Projects are supported by advisory committees of experts, if required. The Foundation has well-developed links with central Government, the Scottish and Welsh Governments, health, local government, housing and social services bodies across the United Kingdom, as well as professional bodies, academic research centres and voluntary sector organisations. It is committed to partnership work wherever this will maximise effectiveness and impact.

The Foundation has working relationships with many organisations, as described above. These are carefully curated in order to add value to the nature and content of the programmes as effectively as possible.

Risk management

The Senior Management Team takes the lead in reviewing the key risks facing the Mental Health Foundation on a quarterly basis, after considering input from functional teams and national offices. These are documented in a risk register, which is reviewed by the Finance and Resources Committee and approved by the Trustees at least annually.

The risk register is updated to reflect recent operational and financial developments, strategic annual organisational objectives, and changes in the external environment. Each risk item is analysed according to its perceived potential impact and likelihood of occurrence, together with actions that either have been, or will be, taken in mitigation.

The risk register is reviewed at each meeting of the Finance & Resources Committee, and amended for changes regarding risks, mitigating controls and actions.

The principal risks facing the organisation are:

- ◆ Funders lose confidence in the charity's stewardship and withdraw support. Other funders become wary of pledging support.
- ◆ Reputational damage of not achieving or having to radically change strategic plans.



Independent auditor's report to the Trustees and members of the Mental Health Foundation

Opinion

We have audited the financial statements of the Mental Health Foundation (the 'charitable parent company'), and of the Mental Health Foundation and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise the group statement of financial activities, the group and charitable parent company balance sheets, the group statement of cash flows, the principal accounting policies, the notes to the financial statements, and the appendix. 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).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 March 2019 and of the group's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report including the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ proper and adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable parent company financial statements are not in agreement with the accounting records and returns; or



Matters on which we are required to report by exception (continued)

- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable parent company'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 charitable parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Amanda Francis (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

24 July 2019

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



Group statement of financial activities (including income and expenditure account)
Year to 31 March 2019

	Notes	Unrestricted funds £'000	Restricted funds £'000	Designated funds £'000	Permanent endowment funds £'000	Total 2019 funds £'000	Total 2018 funds £'000
Income from:							
Donations		3,257	262	-	—	3,519	1,341
Legacies		1,409	—	2,500	—	3,909	2,260
Fundraising events		699	—	—	—	699	489
Investments		5	—	—	—	5	1
Charitable activities							
- Statutory grants receivable	1	—	234	—	—	234	319
- Other grants	1	—	1,204	—	—	1,204	1,133
- Charitable trading activities	2	580	—	—	—	580	244
Total income		5,950	1,700	2,500	—	10,150	5,787
Expenditure on:							
Raising funds		1,533	—	—	—	1,533	970
Charitable activities	3	—	—	—	—	—	—
- Mental Health Programmes		1,205	1,320	—	—	2,525	2,720
- FPLD		92	59	—	—	151	138
- Information, education, dissemination and advisory services programme		1,126	233	—	—	1,359	1,061
Total expenditure		3,956	1,612	—	—	5,568	4,889
Net income	6	1,994	88	2,500	—	4,582	898
Transfers between funds	14	(161)	161	—	—	-	-
Funds acquired on acquisition	11	(60)	—	—	—	(60)	-
Net movement in funds		1,774	249	2,500	—	4,523	898
Reconciliation of funds:							
Funds brought forward at 1 April 2018		1,899	755	-	45	2,699	1,801
Funds carried forward at 31 March 2019		3,673	1,004	2,500	45	7,222	2,699

All of the group's activities derived from continuing operations during the above two financial periods.

A full comparative statement of financial activities for the previous year is shown in the appendix to these financial statements.



Charity statement of financial activities (including income and expenditure account)
Year to 31 March 2019

	Notes	Unrestricted funds £'000	Restricted funds £'000	Designated funds £'000	Permanent endowment funds £'000	Total 2019 funds £'000	Total 2018 funds £'000
Income from:							
Donations		3,257	262	-	—	3,519	1,341
Legacies		1,409	—	2,500	—	3,909	2,260
Fundraising events		699	—	—	—	699	489
Investments		5	—	—	—	5	1
Charitable activities							
- Statutory grants receivable	1	—	234	—	—	234	319
- Other grants	1	—	1,204	—	—	1,204	1,133
- Charitable trading activities	2	284	—	—	—	284	244
Total income		5,654	1,700	2,500	—	9,854	5,787
Expenditure on:							
Raising funds		1,434	—	—	—	1,434	970
Charitable activities	3						
- Mental Health Programmes		1,205	1,320	—	—	2,525	2,720
- FPLD		92	59	—	—	151	138
- Information, education, dissemination and advisory services programme		1,126	233	—	—	1,359	1,061
Total expenditure		3,857	1,612	—	—	5,469	4,889
Net income	6	1,797	88	2,500	—	4,385	898
Transfers between funds	14	(161)	161	—	—	—	—
Net movement in funds		1,636	249	2,500	-	4,385	898
Reconciliation of funds:							
Funds brought forward at 1 April 2018		1,899	755	—	45	2,699	1,801
Funds carried forward at 31 March 2019		3,535	1,004	2,500	45	7,084	2,699

All of the charity's activities derived from continuing operations during the above two financial periods.

A full comparative statement of financial activities for the previous year is shown in the appendix to these financial statements.



Balance sheets As at 31 March 2019

	Notes	Group		Charity	
		2019 £'000	2018 £'000	2019 £'000	2018 £'000
Fixed assets					
Tangible assets	10	—	—	—	—
Investments	11	45	45	45	45
		45	45	45	45
Current assets					
Debtors	12	3,991	1,914	3,805	1,914
Investments	11	405	403	405	403
Cash at bank and in hand		3,469	816	3,231	816
		7,865	3,133	7,441	3,133
Liabilities					
Creditors: amounts falling due within one year	13	(688)	(479)	(402)	(479)
Net current assets		7,177	2,654	7,039	2,654
Total net assets		7,222	2,699	7,084	2,699
Represented by:					
Funds and reserves					
Income funds					
Unrestricted funds					
General funds		3,673	1,899	3,535	1,899
Designated funds	14	2,500	—	2,500	—
Restricted funds	15	1,004	755	1,004	755
		7,177	2,654	7,039	2,654
Capital funds					
Permanent endowment funds	16	45	45	45	45
		7,222	2,699	7,084	2,699

Signed on behalf of the
Trustees by:



Chair

Mental Health Foundation, Company Limited by Guarantee
Registration Number 02350846 (England and Wales)

Approved by the Trustees on

17th July 2019



Group statement of cash flows Year to 31 March 2019

	Notes	2019 £'000	2018 £'000
Cash flows from operating activities:			
Net cash provided by operating activities	A	<u>2,650</u>	<u>239</u>
Cash flows from investing activities:			
Investment income received		5	1
Purchase of tangible fixed assets		<u>—</u>	<u>352</u>
Net cash provided by investing activities		<u>5</u>	<u>353</u>
Change in cash and cash equivalents in the year		2,655	592
Cash and cash equivalents at 1 April 2018	B	1,219	627
Cash and cash equivalents at 31 March 2019	B	<u>3,874</u>	<u>1,219</u>

Notes to the statement of cash flows for the year to 31 March 2019.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2019 £'000	2018 £'000
Net movement in funds (as per the statement of financial activities)	4,523	897
Adjustments for:		
Investment income receivable	(5)	(1)
Increase in debtors	(2,077)	(894)
Increase in creditors	<u>209</u>	<u>237</u>
Net cash provided by operating activities	<u>2,650</u>	<u>239</u>

B Analysis of cash and cash equivalents

	2019 £'000	2018 £'000
Total cash and cash equivalents:		
Cash at bank and in hand	3,469	816
Short-term cash investments	<u>405</u>	<u>403</u>
	<u>3,874</u>	<u>1,219</u>



Basis of accounting

These financial statements have been prepared for the year to 31 March 2019 with comparative information provided in respect to the year to 31 March 2018.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to the financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of Mental Health Foundation and its subsidiary undertaking, Mental Health at Work. The net income attributable to the charity in the year was £4,388,126 (2018: £897,877). There were no other recognised gains and losses attributable to the charity.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.



Income recognition

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that the funds will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations, legacies, income from fundraising events, interest receivable, investment income, grants and other trading income.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Entitlement is taken as the earlier of the date on which either:

- ◆ the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made; or
- ◆ a distribution is received from the estate.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Grants and donations from government, other statutory agencies and charitable bodies are included as income from charitable activities where these amount to a contract for service or where they are specific to particular activities. Along with income of a contractual nature and income generated from trading and commercial sources, they are recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. All such income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Income recognition (continued)

Other trading income is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured.

Investment income is recognised once the dividend or interest has been declared and notification has been received of the amount due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds include the salaries, direct costs and support costs associated with generating donated income.
- ◆ Expenditure on charitable activities, including grants payable, comprises expenditure on the charity's primary charitable purposes as described in the Trustees' report.

Welfare grants payable to individuals are included in the statement of financial activities when approved.

Grants or award funding to institutions are included in full in the statement of financial activities when the award agreement has been returned, completed and signed, by the recipient. Small final instalments of some award grant payments are subject to receipt of a satisfactory final report on the award project.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned using percentages based on the time spent on the activities by the employees of the charity.



Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Expenditure on the purchase and replacement of fixtures, fittings and equipment is capitalised and depreciated, on a straight line basis, over a period ranging from 3 to 10 years, in order to write off each asset over its estimated useful life.

Investments

Cash deposits held in interest earning accounts and held for the long term are classified as fixed asset investments.

Investments in unlisted companies are included on the balance sheet at a valuation determined by the Trustees, calculated having regard to the net asset value of the relevant company at the balance sheet date.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as current asset investments. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and may be used at the discretion of the Trustees.

The designated funds represent assets set aside by the Trustees to be applied in future years towards specific purposes.

The restricted funds are monies raised for a specific purpose, or donations subject to donor-imposed conditions.

The permanent endowment funds comprise monies which must be held as capital indefinitely. The income therefrom is used in accordance with the terms of each individual endowment (note 16).



Principal accounting policies 31 March 2019

Pension costs

Contributions to employees' personal pension plans and in respect to defined contribution schemes are charged to the statement of financial activities in the year in which they are payable to the relevant scheme.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.



Notes to the financial statements 31 March 2019

1 Income from: Grants receivable

Group and charity	2019 £'000	2018 £'000
Statutory grants		
- Scottish	218	292
- Welsh	16	27
	234	319
Other grants	1,204	1,133
	1,438	1,452

All grants receivable relate to restricted funds in both the above financial years.

The income from grants relate to the following charitable activities:

Group and charity	2019 £'000	2018 £'000
Mental Health Programmes	1,438	1,434
FPLD	—	18
	1,438	1,452

Statutory grants receivable comprise:

Group and charity	2019 £'000	2018 £'000
Scottish Government		
VoX	165	115
What Works For You	45	—
Research Consultancy	8	—
Refugee HPG	—	27
Musawa	—	39
Carers Peer Potential	—	68
U-Can	—	43
	218	292
Welsh Assembly Government		
Service User Forum	11	27
Joint Education Committee	5	—
	16	27
	319	319



Notes to the financial statements 31 March 2019

1 Income from: Grants receivable (continued)

Other grants comprise:

Group and charity	Total 2019 £'000	Total 2018 £'000
Big Lottery	300	348
– England – Reaching Communities (Self-help & Isolation)	—	61
– England – Reaching Communities (Young Mums Together)	—	74
– England – Reaching Communities (Babies in Mind)	132	146
– Scotland – Community Fund (My Voice)	51	55
– Scotland – Heritage Fund (Reclaim Our Heritage)	35	—
– Wales – People and Places (Standing Together Cymru)	82	—
– UK – Drill	—	12
Scottish Association for Mental Health	170	160
Scottish Association for Mental Health (Stigma and Discrimination)	130	120
Scottish Association for Mental Health (Art & Stigma)	20	20
Scottish Association for Mental Health (Scottish Film Festival)	20	20
Scottish Film Festival	57	101
Creative Scotland	30	26
Visit Scotland (Scottish Film Festival)	—	34
Other grants	27	41
Children & Young People's Mental Health	—	56
Paul Hamlyn Foundation (Coalition for Change)	—	30
Zurich Community Trust	—	26
Other grants	—	15
Peer Education	50	51
MSN	—	36
Sobell Foundation	25	—
Other grants	25	15
Disability Action NI (Drill)	112	—
European Commission (Emen)	146	37
Health in Mind (Survivor Fund)	133	222
Health and Social Care Alliance (U-Can)	—	42
Health and Social Care Alliance (We Can)	57	—
NHS Borders (Screening Inequality)	86	—
University of Strathclyde (Refugee Health Policy Action)	26	—
University of Warwick (Euripides)	—	32
Other grants <£25,000	—	69
	1,204	1,133

In accordance with the group's and charity's accounting policies, the following have been included within donations within the statement of financial activities as they relate to core funding:

	2019 £'000	2018 £'000
Peacock Charitable Trust	27	—
The 3Ts Charitable Trust	15	15
University of Edinburgh	9	—
Hugh and Mary Miller Bequest	6	6
The Martin Charitable Trust	5	—
Horton Charitable Trust	5	—
Other	32	—



2 Income from: Charitable trading activities

	2019 £'000	2018 £'000
Publications and merchandise	227	128
Other	57	116
Charity total	284	244
Income from subsidiary	296	—
Group total	580	244

Expenditure relating to the Group's subsidiary, Mental Health at Work CIC, is included within costs associated with raising funds

3 Expenditure on: Charitable activities

Group and charity	Direct costs £'000	Support costs (note 5) £'000	Total 2019 £'000	Direct costs £'000	Support costs (note 5) £'000	Total 2018 £'000
Mental Health Programmes	2,104	421	2,525	2,192	528	2,720
FPLD	120	31	151	114	25	138
Information, education, dissemination and advisory services programme	1,106	253	1,359	866	195	1,061
	3,330	705	4,035	3,172	748	3,919

Group and charity	Staff costs £'000	Other costs £'000	Total 2019 £'000	Staff costs £'000	Other costs £'000	Total 2018 £'000
Direct costs included above comprise:						
Mental Health Programmes	1,166	938	2,104	1,215	977	2,192
FPLD	90	30	120	82	31	114
Information, education, dissemination and advisory services programme	720	386	1,106	503	363	866
	1,976	1,354	3,330	1,800	1,371	3,172

At 31 March 2019 the group and charity had no commitments in respect to future grants (2018 – none).

4 Governance costs

	Total 2019 £'000	Total 2018 £'000
Legal and professional fees	44	14
Trustees' expenses and other Trustee related costs	8	3
Charity total	52	17
Legal and professional fees - subsidiary	4	17
Group total	56	34

All governance costs relate to unrestricted funds.



5 Support costs

Group	London Office £'000	IT £'000	Finance £'000	Human Resources £'000	Total 2019 £'000
Costs of raising funds	81	34	17	19	151
Mental Health Programmes	227	96	45	53	421
FPLD	17	7	3	4	31
Information, education, dissemination and advisory services programme	137	57	27	32	253
	462	194	92	108	856

Group	London Office £'000	IT £'000	Finance £'000	Human Resources £'000	Total 2018 £'000
Costs of raising funds	93	16	31	14	154
Mental Health Programmes	319	56	105	48	528
FPLD	15	3	5	2	25
Information, education, dissemination and advisory services programme	117	21	39	18	195
	544	96	180	82	902

Support costs are allocated to the activities they are supporting on the basis of the number of staff working on each activity.

6 Net income

This is stated after charging:

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Staff costs (note 7)	2,910	2,641	2,763	2,641
Depreciation	—	—	—	—
Auditor's remuneration				
- Audit	14	14	14	14
- Other services (other assurance)	1	—	1	—
- Other services (HR consultancy services)	—	5	—	5
Operating lease rentals				
- Land and buildings	136	125	136	125
- Equipment	18	18	18	18

7 Staff costs

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Staff costs during the year were as follows:				
Wages and salaries	2,419	2,223	2,288	2,223
Social security costs	235	227	221	227
Other pension costs	195	186	193	186
	2,849	2,636	2,702	2,636
Agency and temporary staff	61	5	61	5
	2,910	2,641	2,763	2,641

The average monthly number of employees (including temporary staff) during the year was 76 (2018 – 68).

The number of employees who earned £60,001 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

Group	2019 No.	2018 No.
£60,001 - £70,000	1	1
£70,001 - £80,000	1	2
£80,001 - £90,000	1	—
£110,001 - £120,000	1	—
£160,001 - £170,000	—	1

Employer contributions made to a money purchase scheme in respect of the above employees during the year amounted to £30,098 (2018 - £37,026).

The key management personnel in charge of directing, controlling, running and operating the group on a day to day basis comprise the Trustees together with the Chief Executive, the Director of Development and Delivery, the Director of Fundraising and Communication and the Director of Finance and Resources. The total remuneration payable to key management personnel during the year was £349,116 (2018 - £458,888).

8 Trustees' remuneration, expenses and donations

No Trustee received any remuneration in respect of their services as a Trustee during the year (2018 - none).

Expenses reimbursed to, or paid on behalf of, Trustees during the year were as follows:

	2019		2018	
	No of Trustees	Aggregate amount £'000	No of Trustees	Aggregate amount £'000
Travel, expenses and other	7	8	4	2

The Trustees have taken out Trustee indemnity insurance to cover the liability which by virtue of any rule of law would otherwise attach to the Trustees in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Foundation. The premium paid by the charity during the year amounted to £2,860 (2018 - £2,755) and provided cover of £1,000,000 (2018 - £1,000,000).

The charity received £3,989 donations from Trustees during the year (2018 - £nil).

9 Taxation

The Mental Health Foundation is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

Group and charity	Fixtures, fittings and equipment £'000
Cost	
At 1 April 2018	233
Disposals	(28)
At 31 March 2019	205
Depreciation	
At 1 April 2018	233
Disposals	(28)
At 31 March 2019	205
Net book values	
At 31 March 2018 and at 31 March 2019	—

11 Investments

Group and charity	Unlisted investments £'000	Cash deposits £'000	Total £'000
Fixed asset investments			
At 1 April 2018 and at 31 March 2019	—	45	45
Current asset investments			
At 1 April 2018	—	403	403
Interest reinvested	—	2	2
At 31 March 2019	—	405	405

Unlisted investments comprise shares in Helpcards Holdings Limited and Mental Health at Work CIC.

The charity holds 7,227 1p shares in Helpcards Holdings Limited, comprising 1.23% of the share capital. The shares have been valued by the Trustees having regard to the company's net assets as at 31 March 2019.

On 27 July 2018, the shareholders of Mental Health at Work CIC gifted the shares in the company to the charity. On acquisition, the company had net liabilities of £59,676. The net liability position as at 31 March 2019 was £16,259. The shares have been valued by the Trustees at £nil value as at 31 March 2019. The Trustees of the charity have confirmed that they intend that the charity provide sufficient funding to the company to meet its liabilities as they fall due, for at least the next twelve months.

12 Debtors

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	347	304	161	304
Prepayments	83	115	83	115
Other debtors	112	67	112	67
Legacy notifications	3,449	1,428	3,449	1,428
	3,991	1,914	3,805	1,914

13 Creditors: amounts falling due within one year

	Group		Charity	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Expense creditors	178	136	161	136
Other creditors	243	131	127	131
Service delivery deferred income	172	97	19	97
Accruals	95	115	95	115
	688	479	402	479

14 Restricted funds

The income funds of the charity and group include restricted funds comprising the following donations and grants held on trust to be applied for specific purposes:

	At 1 April 2018 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2019 £'000
BLF England Reaching Communities (Self-help and Isolation)	18	7	(19)	(6)	—
BLF England Reaching Communities (Young Mums Together)	10	—	(10)	-	—
BLF England Reaching Communities (Mums and Babies in Mind)	36	98	(130)	(4)	—
BLF Scotland Investing in Communities (Peer Support for Carers)	4	—	(4)	—	—
BLF Wales People and Places (Creating Connections)	(2)	—	—	2	—
BLF Wales People and Places (Parc Prison)	4	—	—	(4)	—
Health Education England (Through Each Other's Eyes)	(1)	—	—	1	—
E-Men (European Commission)	(22)	147	(168)	43	—
My Voice (Sawti)	41	51	(57)	—	35
Mental health and cancer	2	—	(2)	—	—
U Can	43	43	(85)	(1)	—
Stigma and Discrimination (SAMH)	15	130	(112)	—	33
Scottish Recovery Network (HOP)	9	—	(9)	—	—
Arts & Stigma	12	20	(15)	—	17
Scottish Government via Voluntary Action Fund / Awards for All Scotland / Hugh Fraser Foundation / Scottish Episcopal Church (Refugee HPG)	22	—	—	(22)	—
Citizenship, Recovery and Inclusive Societies Partnership (CRISP)	(2)	23	(21)	2	2
Survivors (Health in Mind)	31	133	(153)	—	11
What Works	21	—	(19)	(2)	—
Coalition	79	—	(82)	3	—
Employers' Guide	6	—	(6)	—	—
Research prize fund	7	—	—	—	7
Maternal Mental Health Alliance	6	—	(6)	—	—
Peer Education	—	276	(103)	—	173
Drill	—	112	(48)	—	64
Refugee Health Policy Action	—	54	(57)	22	19
Reclaim Our Heritage	—	40	—	28	68
Screening Inequality	—	86	(18)	—	68
What Works For You	—	45	(50)	5	—
Standing Together – Cymru	—	82	(51)	—	31
Voices of Experience	—	115	(117)	2	—
Restricted legacies - Research	—	—	—	409	409
Other restricted funds	416	238	(270)	(317)	67
	755	1,700	(1,612)	161	1,004



14 Restricted funds (continued)

	At 1 April 2017 £'000	Income £'000	Expenditure £'000	At 31 March 2018 £'000
BLF England Reaching Communities (Self-help and Isolation)	30	78	(90)	18
BLF England Reaching Communities (Young Mums Together)	38	74	(102)	10
BLF England Reaching Communities (Mums and Babies in Mind)	94	153	(211)	36
BLF Scotland Investing in Communities (Peer Support for Carers)	33	5	(34)	4
BLF Wales People and Places (Creating Connections)	4	—	(6)	(2)
BLF Wales People and Places (Parc Prison)	12	—	(8)	4
Health Education England (Through Each Other's Eyes)	1	—	(2)	(1)
E-Men (European Commission)	—	37	(59)	(22)
My Voice (Sawti)	30	55	(44)	41
Mental health and cancer	10	—	(8)	2
U Can	44	86	(87)	43
Stigma and Discrimination (SAMH)	—	120	(105)	15
Scottish Recovery Network (HOP)	—	9	—	9
Arts & Stigma	—	20	(8)	12
Scottish Government via Voluntary Action Fund / Awards for All Scotland / Hugh Fraser Foundation / Scottish Episcopal Church (Refugee HPG)	—	35	(13)	22
Citizenship, Recovery and Inclusive Societies Partnership (CRISP)	—	—	(2)	(2)
Survivors (Health in Mind)	—	222	(191)	31
What Works	46	18	(43)	21
Coalition	56	83	(60)	79
Employers' Guide	6	20	(20)	6
Research prize fund	7	—	—	7
Maternal Mental Health Alliance	5	1	—	6
Other restricted funds	107	927	(618)	416
	<u>523</u>	<u>1,943</u>	<u>(1,711)</u>	<u>755</u>

The specific purposes for which the funds were received and applied are as follows:

Self-help and Isolation

Creating 25 facilitated peer support groups across London to combat loneliness in Sheltered & Extra Care Housing to enable isolated older tenants build social networks and improve their well-being.

Young Mums Together

To reduce the risk factors young mothers (aged under 25) are vulnerable to, and enhance their life chances and mental wellbeing, by creating 15 new facilitated peer support groups to mediate difficulties with mental health, parenting, family relationships and employment, education and training.

Mums and Babies in Mind

In Blackpool, Haringey, Southend and Gloucestershire, and working alongside the Maternal Mental Health Alliance, midwives, health visitors and other professionals will be supported in perinatal mental health, so they can work together as local champions promoting proven ways of supporting mothers and babies.



14 Restricted funds (continued)

E-Men (European Commission)

This six-country European Union partnership champions better mental health by inviting governments, service providers, healthcare professionals service users, policy makers and e-mental health developers across the UK to promote digital health, host and participate in project events, support the testing of e-interventions and develop policy levers.

My Voice (Sawti)

The project aims to raise awareness of mental health and wellbeing of refugees communities using the arts and group-work as well as developing a mentoring scheme among refugees and asylum seekers in Scotland.

U Can

A Mental Health Foundation project set up to support young people with long-term physical health conditions manage their mental health. The U Can project is in partnership with Young Scot, Action for Sick Children and Arthritis Care Scotland.

Stigma and Discrimination

See Me is Scotland's programme to tackle mental health stigma and discrimination and enable people who experience mental health problems to live fulfilled lives. Managed by the Scottish Association for Mental Health (SAMH) and The Mental Health Foundation.

Arts & Stigma

Working with See Me Scotland to commission an artist to create a new participatory artwork which was delivered in Renfrewshire. This is an annual programme that focuses on challenging mental health stigma.

Survivors Fund (Future Pathways)

Future Pathways supports recovery of people who have experienced abuse or neglect in care in Scotland. Future Pathways is funded by the Scottish Government and is managed by a group of organisations that make up the Future Pathways Alliance (Health in Mind, Penumbra, Greater Glasgow and Clyde Health Board's Trauma Service, and the Mental Health Foundation).

What Works

To map, understand and prioritise the extent and impact of hate crime against people with learning disabilities and the solutions available to prevent and reduce harm.

Coalition

The Children and Young People's Mental Health Coalition is a membership body that brings together leading charities to campaign jointly on the mental health and wellbeing of children and young people. It is hosted by the Mental Health Foundation.

Research prize fund

This fund represents an original donation of £10,000 in memory of Dr Janice Sinson, which is to be used for prizes in ongoing research competitions.



14 Restricted funds (continued)

Peer Education Project

Our Peer Education Project (PEP) has now worked with 116 schools, training over 2,500 Year 12 students as peer educators and reaching over 30,000 Year 7 students giving them the skills and knowledge to safeguard their mental health, know where to seek help, and be better able to support the mental health of their friends.

Drill

With funding from DRILL (Disability Research on Independent Living & Learning) this pilot study centres upon empowering people with psychosocial disabilities to participate in physical exercise in order to improve both their physical and mental health. The project is being delivered in partnership with Queen's University Belfast and co-produced by individuals with lived experience.

Refugee Health Policy Action

Supported with funds from the Scottish Government's "Promoting Equality and Cohesion Fund" the project is working to develop local responses to refugee health support in local authorities across Scotland. This includes training volunteers from refugee backgrounds on mental health, policy development and delivering work in local authority areas which to date has included Glasgow City, North Lanarkshire and North Ayrshire.

Reclaim Our Heritage

An exciting new programme supported with major funding from the National Lottery Heritage Fund and others to develop a volunteer led oral history programme to preserve the heritage of the arts and mental health social movement in Scotland.

Screening Inequality

Working with NHS Borders, Fife, Tayside and Lothian and with the support of the Scottish Government's "Screening Inequalities Fund" to use research and learning to increase informed consent on Abdominal aortic aneurysm, breast, bowel, cervical and diabetic retinopathy screening uptake among people living with long term mental health problems and to increase the visibility of screening in mental health care.

What Works For You

Jointly funded by the Scottish Government and the European Social Fund this programme undertook a programme of peer research to record and recommend what support people living with mental health problems need to access employment in rural Scotland.

Standing Together - Cymru

Following the success of the original Standing Together project, which ran in London from 2015-2018, the Foundation secured funding from Big Lottery Fund Wales (now the National Lottery Community Fund) to run a three-year project which aims to improve mental health, wellbeing and build community connections for people in later life housing in South East Wales.



14 Restricted funds (continued)

Voices of Experience

VOX Scotland is Scotland's national mental health service user collective that represents its members' views to Scotland's politicians and health professionals to make sure Scotland's laws and mental health services reflect service user needs and interests. VOX is Scotland's only national mental health advocacy organisation run by service users for service users.

Restricted Legacies - Research

Legators may choose to restrict the use of their legacy to the Foundation. The balance relates to several legacies that the Foundation was instructed to use to further research into mental health. The balance may be transferred against other funded projects with a strong research component.

15 Designated funds

	At 1 April 2018 £'000	New designation £'000	Utilised/ released £'000	At 31 March 2019 £'000
Group and charity				
Stephen Schick legacy	—	2,500	—	2,500

	At 1 April 2017 £'000	New designation £'000	Utilised/ released £'000	At 31 March 2018 £'000
Group and charity				
Stephen Schick legacy	—	—	—	—

The Trustees have established the designated fund to finance the strengthening regional presence of the Foundation across the UK, to invest in fundraising, to develop programmes at scale, and to ensure the future financial and cultural sustainability of the Foundation. It is expected the designated fund will be spent over a four to seven year period.



16 Permanent endowment funds

	At 1 April 2018 £'000	Additions £'000	At 31 March 2019 £'000
Group and charity			
Wilke Fund	12	—	12
Lander Fund	33	—	33
	45	—	45

	At 1 April 2017 £'000	Additions £'000	At 31 March 2018 £'000
Group and charity			
Wilke Fund	12	—	12
Lander Fund	33	—	33
	45	—	45

The above funds represent permanent endowment which must be retained indefinitely and held as capital. Both funds are constituted under separate trust deeds. Under the deed of trust relating to the Wilke Fund, all income arising from the capital sum may be used for the general purposes of the charity and it is credited, therefore, to general funds on receipt. Under the terms of the deed governing the Lander Fund, 25% of the income generated by the fund each year must be added to the capital sum and be retained as part of the permanent endowment. The remaining 75% of the income may be credited to general funds on receipt and used for the general purposes of the charity.

17 Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted funds £'000	Designated funds £'000	Permanent endowment funds £'000	2019 Total funds £'000
Tangible fixed assets	—	—	—	—	—
Investments	—	—	—	45	45
Net current assets	3,656	1,022	2,500	—	7,177
	3,656	1,022	2,500	45	7,222

Charity	Unrestricted funds £'000	Restricted funds £'000	Designated funds £'000	Permanent endowment funds £'000	2019 Total funds £'000
Tangible fixed assets	—	—	—	—	—
Investments	—	—	—	45	45
Net current assets	3,517	1,022	2,500	—	7,039
	3,517	1,022	2,500	45	7,084

Group and charity	Unrestricted funds £'000	Restricted funds £'000	Permanent endowment funds £'000	2018 Total funds £'000
Tangible fixed assets	—	—	—	—
Investments	—	—	45	45
Net current assets	1,899	755	—	2,654
	1,899	755	45	2,699

18 Operating lease commitments

At 31 March 2019 the charity had the following total minimum lease payments under non-cancellable operating leases:

	Land and buildings		Other	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Group and charity				
Operating leases which expire:				
- Within one year	147	65	18	18
- After one but within two years	121	29	17	18
- After two but within five years	71	3	1	16
	339	97	36	52

19 Related parties

During the year ended 31 March 2019, the group had the following related party transactions.

- ◆ In delivering its programmes in Scotland, the charity received income of £10,117 from NHS Greater Glasgow and Clyde, £4,500 of which was unpaid as at 31 March 2019, but has since been receipted. Linda de Caestecker, a Trustee of the charity, is an Executive Director of NHS Greater Glasgow and Clyde.
- ◆ In supporting its subsidiary, Mental Health at Work CIC, the charity made a grant during the year of £215,000 relating to working capital. No direct service was provided to the charity.

Comparative group and charity statement of financial activities

	Unrestricted funds £'000	Restricted funds £'000	Permanent endowment funds £'000	Total 2018 funds £'000
Income from:				
Donations	1,286	55	—	1,341
Legacies	1,823	437	—	2,260
Fundraising events	489	—	—	489
Investments	1	—	—	1
Charitable activities				
- Statutory grants receivable (note 1)	—	319	—	319
- Other grants (note 1)	—	1,133	—	1,133
- Charitable trading activities (note 2)	244	—	—	244
Total income	3,843	1,944	—	5,787
Expenditure on:				
Raising funds	970	—	—	970
Charitable activities (note 3)				
- Mental Health Programmes	1,147	1,573	—	2,720
- FPLD	61	77	—	138
- Information, education, dissemination and advisory services programme	1,000	61	—	1,061
Total expenditure	3,178	1,711	—	4,889
Net income and net movement in funds	714	232	—	946
Reconciliation of funds:				
Funds brought forward at 1 April 2017	1,233	523	45	1,801
Funds carried forward at 31 March 2018	1,947	755	45	2,747