

COMPANY REGISTRATION NUMBER NI005568

CHARITY REGISTRATION NUMBER NIC100753

ACTION MENTAL HEALTH

(CHARITABLE COMPANY - LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2023

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

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For the Year Ended 31 March 2023

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ACTION MENTAL HEALTH
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GENERAL INFORMATION

DIRECTORS – MAIN BOARD

Mr P Fitzsimmons - Chairman (resigned 22 February 2023)
Mr W A McKeown - Vice Chairman (Interim Chairman 23 February 2023 to 30 August 2023)
Mrs A Craigan - Treasurer
Mr H W R Kohner
J L C Thompson DL
Mr E F Fee
Mr D P McAuley - Chairman (30 August 2023)
Mr D M McKeown
Ms N Kerr - (resigned 28 June 2023)
Mr S Robinson
Mrs S Cooke
Mr J McAdams
Prof G Lynch
Mrs R Kelly

INDEPENDENT BOARD MEMBERS

Mr D Morrissey
Mr B McDonald
Ms G Mornhinweg

SECRETARY

Mrs I Gallen

CHIEF EXECUTIVE OFFICER

Mr D Babington

REGISTERED OFFICE

AMH Central Office
27 Jubilee Road
NEWTOWNARDS BT23 4YH

AUDITOR

GMcG BELFAST
Chartered Accountants &
Statutory Auditor
Alfred House
19 Alfred Street
BELFAST BT2 8EQ

INVESTMENT BROKERS

Evelyn Partners
The Linenhall
32-38 Linenhall Street
BELFAST BT2 8BG

CCLA

Senator House
85 Queen Victoria Street
London EC4V 4ET

COMPANY REGISTRATION NUMBER

NI005568

CHARITY REGISTRATION NUMBER

NIC100753

BANKERS

Danske Bank
Business Banking Centre, PO Box 183
Donegall Square West, BELFAST BT1 6JS

SOLICITORS

Tughans
Marlborough House
30 Victoria Street
BELFAST BT1 3GG

Edwards & Co
28 Hill Street
BELFAST BT1 2LA

ACTION MENTAL HEALTH
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REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the year ended 31 March 2023. The Directors have adopted the provisions of 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) in preparing these accounts.

CONSTITUTION

Action Mental Health (AMH) is a charitable company limited by guarantee, registered under NI005568, governed by the Articles of Association. The company is recognised as a charity and is registered under NIC100753 and is recognised as a charity by HM Revenue & Customs under reference number XN 47959.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The AMH board is comprised of up to 15 Directors as set out in the charity's Articles of Association. Directors may serve for a maximum of 3 terms of 4 years, save for Serving Directors who, having served 15 years, must be re-appointed on an annual basis. Directors are recruited to the Board through an open recruitment and selection process, although 4 Directors may be co-opted annually. The Governance Manual guides the work of the Board, which includes an induction programme for Directors, Terms of Reference for Committees and roles and responsibilities of office bearers.

AMH decisions on strategy, policy and material capital expenditure are taken by the full Board and it ensures the Strategic Plan guides the Executive over a three year time span. Day to day decision making is under the supervision of the Chief Executive Officer, Mr D Babington, with regular reporting to the Board, Finance Committee, Audit and Risk Committee, Nominations and Remuneration Committee, Therapeutic Services Committee, Innovation and Strategy Committee. The Chief Executive Officer of AMH directly manages the Senior Management Team and they ensure targets in the annual Operational Plan are achieved.

In line with corporate good practice AMH has an Audit and Risk Committee comprising of two independent and three Board members and it meets at least three times a year; the Chief Executive Officer and Director of Business Support also attend, with the external auditors present when appropriate. Usually each year a Directors' Conference is held to enable the Board and all managers to assess progress and consider the future.

During the year the Board worked through a number of actions resulting from the Governance Health Check started in late 2021 including revising the Governance Manual; the Charity Commission Northern Ireland provided consent for the revised Articles on 27 November 2022 and they were subsequently lodged with Companies House. Experience from Covid resulted in many Board and Committee meetings being conducted remotely and this has continued to facilitate attendance and engagement. The Board and Finance Committee met 6 times, the Audit and Risk Committee, Nominations and Remuneration Committee, Therapeutic Services Committee and the Innovation and Strategy Committee each met on 4 occasions. Due to significant uncertainties about the future of ESF funding ending on 31 March 2023 the Board decided not to hold a Directors' Conference until there was greater clarity about the future and Directors were reassured that there was a Strategy already in place for the period 2022-2025. Throughout the year a number of audits from DfE and others such as the ETI provided reassurance to the Board.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

In order to support the response to the loss of ESF funding and subsequent uncertainties the Board established a Transition Steering Group of 4 Directors to work closely with the SMT on contingency planning for the future. This included providing oversight of a bid to the new UK Shared Prosperity Fund (UKSPF), which was being commissioned by the Department of Levelling Up Housing and Communities at Westminster.

The Nominations and Remuneration Committee consider pay levels for all staff, and possible Cost of Living increases on an annual basis and the annual accounts are available on the website; the Committee seeks approval from the full Board for any increases in staff salaries. In 2013 the Committee commissioned an extensive independent review of all staff salaries which benchmarked them against other locally based charities, sectors and National Joint Council (NJC) scales and the recommendations were implemented in full. The only adjustment to this was in response to the Covid pandemic and the Board commissioned a further independent salary review to ensure the rates properly reflected market trends and this led to uplifts for most staff in January 2022. The Pay Policy Statement sets out the Board's approach to salaries and is on the AMH website. In respect of the Chief Executive Officer the Committee commissions independent advice which includes benchmarking against comparable roles in the sector.

In order to provide effective services AMH is involved in a number of partnerships with other charities in Northern Ireland such as the Supported Employment Services (SES) consortium, co-led by AMH and the Cedar Foundation delivering the Workable employment programme commissioned by the Department for Communities; the SES consortium also submitted a successful bid for the new UKSPF for 2023-2025. AMH contributed to a range of other committees and partnerships such as the Mental Health Strategic Reform Board, Belfast City Council VCSE Advisory Panel, the Department for Economy Investment for Growth and Jobs Programmes Monitoring Committee for EU Infrastructure Funds, with the Chief Executive Officer holding appointments on all these Committees. AMH also provides the secretariat for the All Party Group on Suicide at the Assembly.

DIRECTORS

The Directors of AMH are its trustees for the purposes of charity law. The Directors who served the charity during the year are as noted on Page 1.

Mrs A Craigan, Ms N Kerr, Ms S Cooke, Ms R Kelly and Messrs. E Fee, HWR Kohner, D P McAuley, W A McKeown, J L C Thompson DL, P Fitzsimmons (resigned with effect from 22 February 2023), D M McKeown, S W Robinson, J McAdams and Prof G Lynch all served.

A register of Directors' interests is maintained, with regular review and update, in order for the Board to be aware of any potential conflicts of interest; the issue of potential conflicts is a standing agenda item at the start of all Board and Committee meetings. None of the Directors had any material interest in contracts with the charity during the year.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

RISK STRATEGY

A risk register is maintained in relation to all material risks posing a threat to AMH. The register is reviewed regularly by the Audit and Risk Committee and at all Board meetings to ensure systems and procedures are established to mitigate those risks identified and to minimise any potential impact on the charity.

In managing the reserves, the Board is guided by their Investment Policy and its objective is to generate a return in excess of inflation over the long term whilst generating an income which could be available to support existing services and new projects. The Reserves Policy of AMH is to hold six months of planned expenditure to ensure continued financial security and to provide for contingencies. A diversified spread of investments is maintained and the two investment providers are required to meet with the Finance Committee once a year to discuss performance, risk and adherence to the Investment Policy's ethical criteria.

PRINCIPAL RISKS AND UNCERTAINTIES

Key risks and uncertainties currently affecting AMH are set out below:

- **Funding**

The ESF 'Working it Out' programme ended on 31 March without any equivalent or follow-on programme available. AMH had lobbied intensively for many months for resources but this was made difficult by political uncertainty and no NI Executive in place; there was only the prospect of some Department of Health transition funding which failed to materialise. Whilst AMH did secure some funding through the UKSPF with a successful bid with SES partners it provided significantly reduced funds for a different group of clients and only a small number of AMH's current clients were eligible to transfer across to the new programme and this new funding is only available until 2025. Existing match funding from the 5 Health and Social Care Trusts was retained and that at least will enable some support to be provided to a reduced number of the most needy existing clients.

As a result, AMH has been implementing contingency plans due to the loss of ESF funding and introduction of the UKSPF programme, all of which is having significant impacts for clients, staff, service delivery and facilities. The aim is to ensure AMH is put on a sustainable financial footing as quickly as possible and this includes considering new funding models and more new collaborative funding opportunities.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

- **Delivery of Services**

Throughout the year there has been a prevailing uncertainty about support for the mental health sector and the Third Sector and this is likely to continue for the foreseeable future; this is additional to concerns about the loss of ESF funding. Evidence of this is the fact that plans to fund the Mental Health Strategy for the first year have fallen very short of what was agreed and the same is likely to happen in coming years yet this is against a backdrop of rising demands for mental health support due to Covid and the Cost of Living crisis.

The Board continues to be concerned about AMH's ability to deliver agreed outcomes with the pace and scale of recent reductions and adjustments required in services with increasing demand combined with difficult recruitment and retention. Although AMH responded swiftly and effectively to the Covid pandemic the current situation is arguably more serious. The Board has been monitoring progress closely and is delighted that all client needs and funders' requirements have been met so far but will continue to work closely to support the SMT to deliver in these difficult circumstances. In response to the bleak outlook the Board is focussed on considering different and more creative ways to support clients and will persevere with digital transformation by building on existing experience with apps/chatbots and collaborative working to embed digital expertise in AMH.

The Board recognises these key risks and uncertainties and operates so as to minimise the threat posed to the charity by adhering to the highest procedures and standards and working closely with independent experts as required to mitigate the risks.

OBJECTIVES AND ACTIVITIES

Action Mental Health

AMH's vision is for a society which actively values and supports people on their journey to positive mental health and the mission is to make a positive difference to people's mental health and wellbeing. The mission is delivered by living and working to our values of Passion, Empowerment, Excellence and Respect.

AMH is a voluntary organisation which continues to support people's mental health and well-being across the region through vocational training, supported employment options, personal development, therapeutic interventions, health and well-being programmes and resilience building. The Directors have given due regard to the Charity Commission for Northern Ireland's guidance on public benefit in respect of its objectives and activities. AMH's Objects and activities undertaken in relation to them are below:

To provide assistance for persons affected by mental ill health, learning disability, substance abuse and/or other disabilities including without limitation vocational rehabilitation and training, personal development and guidance and other support services with a view to maintaining and improving the wellbeing of such persons to assist their return to fitness for purposeful activity.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

OBJECTIVES AND ACTIVITIES (Continued)

Training & support programmes for people recovering from mental ill-health has been delivered through ESF funding by nine New Horizons services, they also provide person-centred well-being programmes to support soft skills development. The five Health and Social Care Trusts are the primary referral source for clients and AMH supports clients to move on to employment and/or more independent lives. There are also three services which cater specifically for young people and they are delivered along similar lines to the adult New Horizons services. As ESF funding has ended it is planned that these services will adjust to reduced resources by supporting fewer clients but continuing to support clients from the existing 10 service delivery locations.

The NLC service provides counselling for children, young people, adults and families. A range of therapeutic services are offered depending on need, including counselling, psychotherapy, music, art and play therapies. The diversity of staff skills and the range of modalities available enhances the experience for clients as NLC matches the orientation of the client to an appropriate counsellor; this now includes Psychological Wellbeing Practitioners. There are a variety of modes of therapy offered - telephone, online or face-to-face. Counselling is provided for a range of issues – stress, anxiety, depression, relationship difficulties, drug/alcohol misuse, self-harming, suicidal ideation – amongst others and counselling is provided for clients who are deaf or hard of hearing. Interpreters will also be provided for clients for whom English is not their first language.

To assist such persons whether or not they have completed training programmes on the Company's premises to secure employment in jobs appropriate to their capabilities and to provide, if required, follow-up guidance and support.

As well as the focus on employment through the New Horizons services AMH delivers the Workable Government employment programme for people with mental health issues, which is focused on getting people into the workplace and keeping them there. The programme is delivered with 6 other charity partners as part of SES. AMH is still also the only provider of the Individual Placement Support service in the Belfast Trust area, which focuses on placing people with mental health issues in the workplace as quickly as possible and then training them.

To carry on for the benefit of such persons activities in which the skills of such persons can be developed, which activities shall be carried on wholly or largely by means of the efforts of such persons.

In line with the Mental Health Strategy's preventative priorities, a growing aspect of AMH's focus has been to build personal resilience within communities including young people in primary/secondary education, further education, higher education and HMP Hydebank. The MensSana project continued to deliver the PHA funded Mindset programme and the Protect Life service which delivers suicide/self harm prevention services. Aside from funding from the Southern Trust, the PHA and corporate donors/foundations a sizeable proportion of this work has continued to be funded through AMH's own funds but future resourcing like this is unlikely to continue.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

OBJECTIVES AND ACTIVITIES (Continued)

The three Men's Sheds continue to maintain support to older men to help them learn new skills, socialise and connect. The long-term conditions project, Managing the Challenge, in the Western Trust continued to provide people with the tools to self-manage their conditions; AMH Works also continued to provide employers with wellbeing and resilience building support. AMH continues to lead an EU funded Peace 4 contract until September 2023 with 6 other partners to deliver a cross border and cross community programme called 'Our Generation' to develop an integrated approach for building peace through emotional resilience.

AMH also runs a number of specialist projects to support clients to develop their own skills, such as the Vision project (Autistic Spectrum Disorder) in the Southern Trust, the Promote Learning Disability project in the South Eastern Trust and the everyBODY Eating Disorder project in the Southern Trust.

To provide outreach services in support of people recovering from mental ill health and/or other disabilities.

AMH operates from 14 sites and many programmes and services are also delivered in the community, in local facilities such as partner organisations' offices, theatres/cinemas, health centres, sports clubs or schools.

To promote awareness of the issues of mental health and other related issues to the public at large.

AMH engaged intensively with politicians, particularly about the end of ESF funding and funding of the Mental Health Strategy, although with no NI Executive or Assembly in place little was achieved. AMH also held numerous client events and appeared on various media to promote mental health issues; the AMH Client Forum committed to co-production by discussing and promoting client issues and corporate partners continued to work with AMH to raise publicity around mental health issues. AMH remains part of the Mental Health Policy Group which is working to promote the work of the sector and to tackle underlying issues in it.

More information on AMH's work and achievements during 2022/23 is in the Annual Review, which is available from the Company's Registered Office and on its website.

ACHIEVEMENTS AND PERFORMANCE

This was the first year of the AMH Board's Strategic Plan 2022-2025 and the scorecard reflects the fact that many objectives were achieved even with the political and funding challenges. ESF funding, with its associated match funding, made a positive difference to client outcomes and indeed outperformed the targets set. Recruitment and retention was an ongoing issue but given very public concerns about future funding after ESF AMH still managed to reach large numbers of the population with a variety of services.

During the year 1,601 clients with mental health needs and/or a learning disability attended services remotely or in person provided by AMH including New Horizons, Promote and Workable. The New Horizons services provided training and employability programmes to 1,406 clients who achieved 2,457 accredited training outcomes and 211 progressed to paid employment, voluntary work, further education/training or other government programmes.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

ACHIEVEMENTS AND PERFORMANCE (Continued)

Regarding resilience building programmes delivered by AMH MensSana and AMH Works, there were 39,981 direct beneficiaries. AMH also continued to run the Long Term Conditions Alliance (NI) project 'Managing the Challenge' in the Western Trust area and 25 programmes were successfully provided throughout the year with 200 people participating in the self-management programme; also 113 older men attended the 3 Men's Sheds and 139 clients were supported through the Workable contract.

Regarding the New Life Counselling service, there were 17,785 counselling sessions provided to 2,548 individuals and families as follows:

Adult – 11,214 sessions to 1,614 clients
Children & Young People – 6,349 sessions to 899 clients
Families – 177 sessions to 35 families

AMH staff turnover in the year 2022-2023 was 24.54%; 5.09% due to end of contract, retirement, moving to further education, ill health or personal/other reasons. AMH records a staffing complement of 233 employees as at 31/03/2023: 49 males and 184 females.

AMH has achieved Investors in People (IiP) 'We invest in people' PLATINUM accreditation: only 3% of IiP accredited organisations hold this level of recognition and IiP confirm Action Mental Health is within the top 20 Platinum organisations in United Kingdom.

FINANCIAL REVIEW

As with many similar organisations in the sector AMH had a particularly challenging financial year with the end of the Covid-19 pandemic and Cost of Living pressures which have contributed to associated staff recruitment and retention issues. Whilst remarkable outcomes were achieved for clients AMH shows a sizeable deficit for the year. This was further exacerbated by AMH's continuing commitment to underwrite other wellbeing support programmes, such as for school age children, alongside a key initiative to better retain staff. Despite it being a demanding year due to the careful supervision by the Board and senior management AMH finished it in a relatively stable financial position.

ESF funding continued to support the recovery services whilst a range of PHA, VSS, Health and Social Care Trust funding and various grants supported all the other counselling and resilience building programmes. Unrestricted income continued through corporate partnerships and although it reduced this year due to the Covid pandemic and the Cost of Living crisis, there is an expectation that it will increase to pre pandemic levels soon.

RESULTS

Unrealised losses on investments were £93,118 (2022 - unrealised gains amounted to £411,354).

The overall net movement on funds for the year was a deficit of £726,660 (2022 - £83,083). The charity spends all restricted monies that it receives and makes good any deficit on restricted funds from its general unrestricted reserves.

The closing balance on unrestricted reserves at 31 March 2023 was £6,279,312 (2022 - £7,005,972). No restricted reserves were held.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

RESERVES POLICY

Due to the uncertain nature of AMH's funding, it is the Board's policy to maintain a designated risk reserve equal to six months' budgeted expenditure (see note 24). The level of free reserves at the year-end (excluding designated reserves) was £206,066 (2022 - £1,169,693).

INVESTMENT POLICY AND PERFORMANCE

The Finance Committee, a Board sub-committee, oversees, monitors and advises the Board on investment decisions and they are guided by the Investment Policy.

In managing the Reserves of AMH and hence its investments, the Board's objective is to generate a return in excess of inflation over the long term whilst generating an income and capital growth which could be available to support existing group services and new projects whilst a diversified spread of investments is maintained.

Reports on performance are provided to the Board at each meeting and Directors understand they are ultimately responsible for the overall management of the investments.

The Finance Committee are content that overall investment performance was acceptable and in line with investment objectives. Performance is assessed by benchmarking against accepted industry comparators and by using two separate investment advisors.

FUTURE PLANS

As disclosed at note 1 to the financial statements, due to funding constraints and uncertainty surrounding future funding sources, AMH has undertaken a review of its service delivery across Northern Ireland. As a result of this review the Directors have put plans in place that include the reshaping of service provision and of the assets held and utilised by the charity. The directors acknowledge the uncertainty and challenges this brings but remain committed to AMH's fundamental objective of supporting people's mental health and well-being across the region.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors (who are also trustees of Action Mental Health for the purposes of Charity Law), are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

DIRECTORS' RESPONSIBILITIES STATEMENT (Continued)

The Directors are responsible for keeping adequate 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

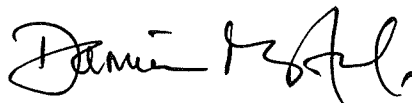
In so far as the Directors, who held office at the date of approval of the financial statements, are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

In approving the Report of the Directors the Directors also approve the Strategic Report.

Registered office:
AMH Central Office
27 Jubilee Road
NEWTOWNARDS
BT23 4YH

On behalf of the Board of Directors



Mr D P McAuley
Director and Chairman



Mrs A Craigan
Director and Honorary Treasurer

Date: 4th October 2023

Registered in Northern Ireland
No. NI005568
Charity Registration No: NIC100753

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF ACTION MENTAL HEALTH

OPINION

We have audited the financial accounts of Action Mental Health (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, summary income and expenditure account, balance sheet, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2023, and of the charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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

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

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

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

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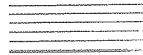
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ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE DIRECTORS OF ACTION MENTAL HEALTH

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and 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 our audit:

- the information given in the Directors' Report, which includes the trustees' report prepared for the purposes of charity law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement on page 9, the directors 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 directors 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 directors are responsible for assessing the charitable 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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ACTION MENTAL HEALTH
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INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE DIRECTORS OF ACTION MENTAL HEALTH

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 accounts.

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.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing potential risks of material misstatement in respect of irregularities, including fraud and non-compliances with laws and regulations, we considered the following:

- The nature of the charitable company's activities and control environment;
- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the charitable company for fraud and identified the greatest potential for fraud in unauthorised use of funds and revenue recognition such as fictitious or duplicate funding applications. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.



ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE DIRECTORS OF ACTION MENTAL HEALTH

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING
IRREGULARITIES, INCLUDING FRAUD (Continued)

We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, and local tax legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

AUDIT RESPONSE TO RISKS IDENTIFIED

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing and testing the operation of controls;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with authorities; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE DIRECTORS OF ACTION MENTAL HEALTH

USE OF OUR REPORT

This report is made solely to the charitable company's directors, as a body, in accordance with the terms of our engagement. 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.



Gillian Johnston ACA (Senior Statutory Auditor)
For and on behalf of GMcG BELFAST

Chartered Accountants
Statutory Auditor

Alfred House
19 Alfred Street
Belfast
BT2 8EQ

Date: 23 OCTOBER 2023

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 March 2023

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Charitable activities:					
Grants & contracted funding:	3				
- Rehabilitation programmes		4,877,352	-	4,877,352	4,611,038
- Employment services		119,861	-	119,861	119,443
- Welfare and education		925,868	106,640	1,032,508	749,091
- Therapeutic services		1,200,350	-	1,200,350	877,103
Other employment income	4	241,595	-	241,595	247,420
Contribution from trading activities:	4				
- Rehabilitation programmes		-	25,847	25,847	15,073
Donations and legacies	5	-	296,419	296,419	336,917
Other activities	6	-	124,073	124,073	132,329
Investments	7	-	21,594	21,594	24,588
TOTAL INCOME AND ENDOWMENT		<u>7,365,026</u>	<u>574,573</u>	<u>7,939,599</u>	<u>7,113,002</u>
EXPENDITURE ON:					
Charitable Activities					
- Rehabilitation programmes	8	5,159,758		5,159,758	4,962,009
- Employment services		247,347		247,347	204,756
- Welfare and education		1,446,943	118,880	1,565,823	1,249,997
- Therapeutic services		1,371,756		1,371,756	1,000,716
Raising funds	9		163,117	163,117	157,493
Other	11		34,048	34,048	48,363
TOTAL EXPENDITURE		<u>8,225,804</u>	<u>316,045</u>	<u>8,541,849</u>	<u>7,623,334</u>
NET (EXPENDITURE)/INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		(860,778)	258,528	(602,250)	(510,332)
NET (LOSSES)/GAINS ON INVESTMENTS					
Realised (loss)/gain on investments		-	(31,292)	(31,292)	15,895
Unrealised (loss)/gain on investments		-	(93,118)	(93,118)	411,354
NET (EXPENDITURE)/INCOME BEFORE TRANSFERS		<u>(860,778)</u>	<u>134,118</u>	<u>(726,660)</u>	<u>(83,083)</u>

The Statement of Financial Activities continues on page 17.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (Continued)
For the Year Ended 31 March 2023

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
NET (EXPENDITURE)/INCOME BEFORE TRANSFERS		(860,778)	134,118	(726,660)	(83,083)
TRANSFER BETWEEN FUNDS	15	<u>860,778</u>	<u>(860,778)</u>	-	-
NET MOVEMENTS IN FUNDS		<u>-</u>	<u>(726,660)</u>	<u>(726,660)</u>	<u>(83,083)</u>
		£	£	£	£
RECONCILIATION OF FUNDS:					
Funds at 1 April 2022		<u>-</u>	<u>7,005,972</u>	<u>7,005,972</u>	<u>7,089,055</u>
Funds at 31 March 2023		<u>-</u>	<u>6,279,312</u>	<u>6,279,312</u>	<u>7,005,972</u>

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

All of the above amounts relate to continuing activities.

The notes on pages 22 to 39 form part of these financial statements.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

SUMMARY INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
INCOME			
Charitable activities		7,497,513	6,619,168
Donations		296,419	336,917
Other activities		124,073	132,329
Investments		21,594	24,588
Realised gains on investments		-	15,895
Unrealised gain on investments		<u>-</u>	<u>411,354</u>
Gross income		<u>7,939,599</u>	<u>7,540,251</u>
EXPENDITURE			
Charitable activities		8,344,684	7,417,478
Raising funds		163,117	157,493
Other expenditure		34,048	48,363
Realised losses on investments		31,292	-
Unrealised losses on investments		<u>93,118</u>	<u>-</u>
Total expenditure		<u>8,666,259</u>	<u>7,623,334</u>
NET EXPENDITURE FOR THE YEAR	1	<u>(726,660)</u>	<u>(83,083)</u>

Income and expenditure relates to continuing activities.

NOTE TO THE SUMMARY INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31 March 2023

1. ANALYSIS OF NET EXPENDITURE:

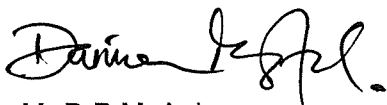
	2023 £	2022 £
Net expenditure for the year excluding losses / gains on investment portfolio held	(633,542)	(494,437)
Unrealised (loss)/gain on investment portfolio held	<u>(93,118)</u>	<u>411,354</u>
	<u>(726,660)</u>	<u>(83,083)</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

BALANCE SHEET
At 31 March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	16	1,834,860	1,948,452
Investments	17	<u>4,434,544</u>	<u>4,745,049</u>
		<u>6,269,404</u>	<u>6,693,501</u>
CURRENT ASSETS			
Stocks	18	15,716	16,334
Debtors	19	1,343,394	931,437
Cash at bank and in hand		<u>26,008</u>	<u>669,000</u>
		1,385,118	1,616,771
CREDITORS: Amounts falling due within one year	20	<u>(1,375,210)</u>	<u>(1,304,300)</u>
NET CURRENT ASSETS		<u>9,908</u>	<u>312,471</u>
NET ASSETS		<u>6,279,312</u>	<u>7,005,972</u>
CAPITAL AND RESERVES			
Unrestricted funds:			
General fund	24	206,066	1,169,693
Revaluation reserve	23	1,461,772	1,608,548
Designated funds	24	<u>4,611,474</u>	<u>4,227,731</u>
		<u>6,279,312</u>	<u>7,005,972</u>

The financial statements were approved and authorised for issue by the Board of Directors on 11.10.23 and were signed on its behalf by:



Mr D P McAuley
Director and Chairman



Mrs A Craigan
Director and Honorary Treasurer

Company Registration Number – NI005568

The notes on pages 22 to 39 form part of these financial statements.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
For the Year Ended 31 March 2023

	Notes	2023 £	2022 £
NET CASH FROM OPERATING ACTIVITIES	1	<u>(1,251,346)</u>	<u>(19,021)</u>
Interest received		23	173
Dividends received		21,571	24,415
Purchase of tangible fixed assets		(19,397)	(32,096)
Purchase of fixed asset investments		(39,740)	(152,212)
Receipts from sale of fixed asset investments		219,063	147,608
Decrease/(increase) in cash held in investment portfolio		<u>6,772</u>	<u>(11,182)</u>
NET CASH FROM INVESTING ACTIVITIES		<u>188,292</u>	<u>(23,294)</u>
DECREASE IN CASH AND CASH EQUIVALENTS		<u>(1,063,054)</u>	<u>(42,315)</u>
CASH AND CASH EQUIVALENTS AT 1 APRIL 2022		<u>669,000</u>	<u>711,315</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH 2023		<u>(394,054)</u>	<u>669,000</u>
CASH AND CASH EQUIVALENTS CONSISTS OF:			
Cash at bank and on hand		26,008	669,000
Bank overdraft		<u>(420,062)</u>	<u>-</u>
		<u>(394,054)</u>	<u>669,000</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE STATEMENT OF CASH FLOWS
For the Year Ended 31 March 2023

**1. RECONCILIATION OF NET MOVEMENT IN FUNDS
TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	2023	2022
	£	£
Net expenditure before other recognised gains and losses	(602,250)	(510,332)
Interest received	(23)	(173)
Dividends received	(21,571)	(24,415)
Depreciation and amortisation	132,989	173,640
Decrease/(increase) in stocks	618	(6,415)
(Increase)/decrease in debtors	(411,957)	155,824
(Decrease)/increase in creditors	<u>(349,152)</u>	<u>192,850</u>
Net cash from operating activities	<u>(1,251,346)</u>	<u>(19,021)</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April	Cashflows	At 31 March
	2022	£	2023
	£		£
Bank overdraft	-	(420,062)	(420,062)
Cash at bank	<u>669,000</u>	<u>(642,992)</u>	<u>26,008</u>
Net debt	<u>669,000</u>	<u>(1,063,054)</u>	<u>(394,054)</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2023

1. ACCOUNTING POLICIES

- (a) Action Mental Health (AMH) is a private company limited by guarantee and registered in Northern Ireland. The registered office of AMH is at AMH Central Office, 27 Jubilee Road, Newtownards.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006, Charity Law and UK Generally Accepted Practice.

The financial statements are prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. The financial statements are prepared in sterling, which is the functional currency of the entity, and are recorded to the nearest £.

- (b) The financial statements have been prepared on a going concern basis. As with other organisations operating in the third sector, AMH face much uncertainty regarding the availability of future funding. As a result of the UK leaving the European Union, funds from the European Social Fund (ESF) ended as a source of funding for AMH from 3rd April 2023. ESF funding has been a significant source of funding for the charity, with £2.1m being received in the year to 31 March 2023.

In anticipation of the cessation of ESF funding, the Directors assessed the impact this loss of funding may have on AMH's ability to continue to deliver its services across Northern Ireland. The Directors have prepared projections for the incoming period and beyond and have also reviewed how AMH delivers services. As a result of this review, the Directors have put plans in place to mitigate the level of operational deficit that otherwise could arise. These plans include the reshaping of service provision and the utilisation of assets held by the charity.

As regards future funding, the UK's Shared Prosperity Fund within Northern Ireland is now in its early stages, and AMH has been successful in being awarded a share of this fund which covers the period from April 2023 to March 2025. In addition to this, the Directors note that the charity has built up a designated risk reserve (see note 24) which stands at £4.2m and has readily realisable investments of £4.4m at 31 March 2023, both of which give much needed support to the charity's operations in these challenging times.

While the Directors acknowledge the uncertainty around the future of funding within Northern Ireland, they are confident that current funding pressures will be overcome and that AMH will continue in operation for the foreseeable future and can operate sustainably in future.

Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements and furthermore do not believe the above mentioned situation to constitute a material uncertainty.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

1. ACCOUNTING POLICIES (Continued)

- (c) Revenue grants are credited to incoming resources on the earlier of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- (d) Donations, contracted funding, income for services provided and other income are included in full in the Statement of Financial Activities when receivable.
- (e) Income from other activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.
- (f) All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Costs are categorised under the following headings:
- Costs of raising funds includes direct costs of fundraising and investment management fees;
 - Expenditure on charitable activities includes direct costs of the rehabilitative services, the employment service and the welfare & education programme; and
 - Other expenditure represents those items not falling into the categories above.
- Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.
- (g) Support costs allocation
- Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at the charity's main premises. Support costs are allocated on a basis consistent with the use of resources.
- Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.
- (h) Restricted funds are to be used for specified purposes by reference to the donor. Expenditure which meets the criteria is identified and allocated to the fund, either directly or by allocating a fair proportion of overheads and other costs.
- (i) Unrestricted funds represent other incoming resources received or generated for charitable purposes, to be used at the charity's discretion. Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

1. ACCOUNTING POLICIES (Continued)

- (j) The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated to write off the cost of fixed assets less residual value, in equal annual instalments on the following bases:-

Land	None
Buildings	4% and 2%
Plant and machinery	20% and 16.66%
Fixtures, fittings, tools and other equipment	20% and 33.33%

- (k) Grants received against capital expenditure are included in full in the Statement of Financial Activities as restricted income. Once the capital expenditure has taken place and the conditions of the grant are fulfilled, they are transferred to a designated unrestricted fund which is then reduced over the useful economic life of the asset in line with depreciation.

- (l) Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out basis. Net realisable value is the price at which the stock can be realised in the normal course of business. Provision is made for obsolescent, slow moving and defective stocks.

- (m) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution pension scheme, the assets of which are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable to the scheme in the accounting period.

- (n) Investments, excluding subsidiary undertakings, are stated on the balance sheet at fair value and all movements, including realised and unrealised gains and losses, are shown in the Statement of Financial Activities. Fair value reflects the published market value of investments held. Realised gains and losses are the aggregate of the difference between sales proceeds and opening fair value (or on addition if purchased during the year). Unrealised gains and losses represent the movement in market value during the year.

- (o) As a registered charity, Action Mental Health is not liable to either Income Tax or Corporation Tax.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

1. ACCOUNTING POLICIES (Continued)

- (p) Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.
- (q) Rentals payable and receivable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.
- (r) Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.
- (s) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following are the company's key sources of estimation uncertainty:

Tangible fixed assets - the annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The Directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

Debtors - short term debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

- (t) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

2. MEMBERS LIABILITY

The charity is a company limited by guarantee. Every member undertakes to contribute such amounts, not exceeding £10, to the charity's assets if it should be wound up whilst being a member, or within one year of ceasing to be a member.

3. GRANTS AND CONTRACTED FUNDING

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Amounts received and receivable				
<i>Rehabilitation programmes</i>				
Contracted funding				
Health & Social Care Trusts:				
Northern	277,080	-	277,080	266,956
Southern	357,763	-	357,763	343,397
Belfast	283,371	-	283,371	271,771
South Eastern	1,052,320	-	1,052,320	1,012,430
Western	442,978	-	442,978	426,187
Grants –				
European Social Fund	2,177,083	-	2,117,083	2,072,595
Local Health & Soc. Care Groups	53,898	-	53,898	85,575
Clear Project DOH	5,960	-	5,960	4,950
Core grant	63,608	-	63,608	63,728
PHA Distribution fund	2,412	-	2,412	-
ChatPal	31,854	-	31,854	12,963
ANDBC Arts	-	-	-	4,733
DFC grant	2,668	-	2,668	-
BCPP grant	9,600	-	9,600	-
You Matter	-	-	-	12,500
Outreach	-	-	-	7,504
University of Grenada Menhir Project	-	-	-	10,612
Sundry grants	3,884	-	3,884	(1,123)
Covid related grants	<u>98,872</u>	<u>-</u>	<u>98,872</u>	<u>32,298</u>
	4,863,351	-	4,863,351	4,627,076
Amounts deferred b/forward	<u>65,808</u>	<u>-</u>	<u>65,808</u>	<u>49,770</u>
	4,929,159	-	4,929,159	4,676,846
Amounts deferred c/forward	<u>(51,807)</u>	<u>-</u>	<u>(51,807)</u>	<u>(65,808)</u>
Funding utilised	<u><u>4,877,352</u></u>	<u><u>-</u></u>	<u><u>4,877,352</u></u>	<u><u>4,611,038</u></u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

3. GRANTS AND CONTRACTED FUNDING (continued)

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Amounts received and receivable				
<i>Employment Services</i>				
Grants				
Dept. for Communities	119,861	-	119,861	119,443
Amounts deferred b/forward	-	-	-	-
	119,861	-	119,861	119,443
Amounts deferred c/forward	-	-	-	-
Funding utilised	<u>119,861</u>	<u>-</u>	<u>119,861</u>	<u>119,443</u>
<i>Welfare and Education Services</i>				
Grants –				
Southern H&SC Trust	62,387	-	62,387	52,520
Western H&SC Trust	56,511	-	56,511	54,368
South Eastern H&SC Trust	-	-	-	5,000
SEUPB – Peace IV	263,293	-	263,293	305,512
PHA	149,448	-	149,448	117,837
AMH Works	-	106,640	106,640	83,019
Dept. of Justice	20,265	-	20,265	16,756
Dept. for Communities	52,524	-	52,524	38,025
Greystone	100,000	-	100,000	-
Community Foundation	36,378	-	36,378	-
Big Lottery – NI Families	-	-	-	8,882
Dalriadan	-	-	-	(2,305)
LEAR Pharmacy	4,614	-	4,614	-
Groundworks	2,000	-	2,000	-
Arts Council	1,799	-	1,799	-
NM&DDC	-	-	-	900
Sundry	2,055	-	2,055	-
Schools programme	(4,890)	-	(4,890)	6,455
ACNI – Lottery	4,069	-	4,069	3,868
	750,453	106,640	857,093	690,837
Amounts deferred b/forward	<u>255,328</u>	<u>-</u>	<u>255,328</u>	<u>313,582</u>
	1,005,781	106,640	1,112,421	1,004,419
Amounts deferred c/forward	<u>(79,913)</u>	<u>-</u>	<u>(79,913)</u>	<u>(255,328)</u>
Funding utilised	<u>925,868</u>	<u>106,640</u>	<u>1,032,508</u>	<u>749,091</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

3. GRANTS AND CONTRACTED FUNDING (continued)

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Therapeutic Services				
DfC Neighbourhood Renewal	39,705	-	39,705	62,200
VSS	52,367	-	52,367	100,070
BH&SCT	69,379	-	69,379	68,694
SEH&SCT	187,123	-	187,123	134,172
PHA	399,491	-	399,491	321,060
Big Lottery Fund ACES	-	-	-	28,966
NIHE	(12,450)	-	(12,450)	21,555
MS Society	(193)	-	(193)	17,095
BCC Revenue	9,500	-	9,500	9,000
Urban Villages	9,746	-	9,746	7,031
Schools programme	163,730	-	163,730	66,970
Barclays	-	-	-	100,000
Yew Project	103,147	-	103,147	91,825
Mencap	3,177	-	3,177	-
Other	-	-	-	380
	<u>1,024,722</u>	-	<u>1,024,722</u>	<u>1,029,018</u>
Amounts deferred b/forward	<u>292,849</u>	-	<u>292,849</u>	<u>140,934</u>
	1,317,571	-	1,317,571	1,169,952
Amounts deferred c/forward	<u>(117,221)</u>	-	<u>(117,221)</u>	<u>(292,849)</u>
Funding utilised	<u>1,200,350</u>	<u>-</u>	<u>1,200,350</u>	<u>877,103</u>
Total grants and contracted funding utilised	<u>7,123,431</u>	<u>106,640</u>	<u>7,230,071</u>	<u>6,356,675</u>

In the prior year income from grants and contract funding was attributable to restricted funds with the exception of £83,019 which was unrestricted.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

**4. OTHER EMPLOYMENT INCOME & CONTRIBUTION
FROM TRADING ACTIVITIES FROM REHABILITATION PROGRAMMES**

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Other Employment income	241,595	-	241,595	247,420
Contribution from trading activities:				
- Rehabilitation programmes	<u>-</u>	<u>25,847</u>	<u>25,847</u>	<u>15,073</u>

In the prior year £247,420 was attributable to restricted funds and £15,073 was attributable to unrestricted funds.

5. DONATIONS AND LEGACIES

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
General	-	235,005	235,005	236,418
Association of Loyal Orangewomen	-	-	-	10,000
Coca Cola	-	-	-	10,000
Gordons Chemist	-	-	-	10,000
Henderson Challenge	-	28,414	28,414	11,534
John Atcheson	-	-	-	26,000
SDC	-	-	-	12,482
Terry Bradley Guitar Fundraiser Just Giving	-	-	-	20,483
Charles Hayward	-	23,000	23,000	-
Progressive	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
	<u>-</u>	<u>296,419</u>	<u>296,419</u>	<u>336,917</u>

Amounts included as general above represent all donations received of less than £10,000.

In the prior year all income from donations and legacies was attributable to unrestricted funds.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

6. OTHER ACTIVITIES

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Administration fees	-	42,098	42,098	42,348
Rents and room hire	-	46,167	46,167	45,767
Counselling	-	-	-	3,850
External training fees	-	11,840	11,840	22,618
Sundry income	-	9,060	9,060	7,176
Client contribution	-	4,216	4,216	1,467
ROC income	-	<u>10,692</u>	<u>10,692</u>	<u>9,103</u>
	<u>-</u>	<u>124,073</u>	<u>124,073</u>	<u>132,329</u>

In the prior year all income from other activities was attributable to unrestricted funds.

7. INVESTMENTS

	Restricted Funds £	Unrestricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Interest	-	23	23	173
Dividends	-	<u>21,571</u>	<u>21,571</u>	<u>24,415</u>
	<u>-</u>	<u>21,594</u>	<u>21,594</u>	<u>24,588</u>

In the prior year all income from investments was attributable to unrestricted funds.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

8. EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by activity

	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Rehabilitation programmes	4,465,750	694,008	5,159,758	4,962,009
Employment services	214,078	33,269	247,347	204,756
Welfare and education services	1,355,214	210,609	1,565,823	1,249,997
Therapeutic services	<u>1,187,249</u>	<u>184,507</u>	<u>1,371,756</u>	<u>1,000,716</u>
	<u>7,222,291</u>	<u>1,122,393</u>	<u>8,344,684</u>	<u>7,417,478</u>

In the current year £118,880 expenditure on charitable activities was attributable to unrestricted funds (2022 - £105,237). All other expenditure on charitable activities was attributable to restricted funds in both years.

9. RAISING FUNDS

Summary by activity

	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Fundraising and awareness costs	<u>141,177</u>	<u>21,940</u>	<u>163,117</u>	<u>157,493</u>

In the current and prior year all expenditure on raising funds was attributable to unrestricted funds.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

10. SUPPORT COSTS BY CATEGORY

	2023	2022
	£	£
Support Costs		
Administration and Finance	<u>1,144,333</u>	<u>1,131,684</u>

Support costs are made up of the following:

	2023	2022
	£	£
Staff costs	924,227	812,571
Office costs	20,497	26,171
Premises	26,510	10,129
Other costs	<u>173,099</u>	<u>282,813</u>
	<u>1,144,333</u>	<u>1,131,684</u>

11. OTHER

	Restricted Funds	Unrestricted Funds	Total 2023	Total 2022
	£	£	£	£
Investment management fees	-	7,698	7,698	8,629
Governance costs	<u>-</u>	<u>26,350</u>	<u>26,350</u>	<u>39,734</u>
	<u>-</u>	<u>34,048</u>	<u>34,048</u>	<u>48,363</u>

In the prior year all other expenditure was attributable to unrestricted funds.

12. GOVERNANCE COSTS

	2023	2022
	£	£
Auditor's remuneration	5,169	11,500
Other professional fees	19,676	25,618
Board, Committee costs	<u>1,505</u>	<u>2,616</u>
	<u>26,350</u>	<u>39,734</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

13. NET INCOME BEFORE TRANSFERS

	2023	2022
	£	£
This is stated after charging:		
Depreciation:		
- owned tangible fixed assets	132,989	173,640
Auditor's remuneration - statutory audit	5,169	6,960
- other financial services	-	4,540
(Loss)/gain on disposal of investments	(31,292)	15,895
(Loss)/gain on fair value movement of investments	(93,118)	411,354
Operating leases rentals	<u>151,578</u>	<u>161,120</u>

14. STAFF COSTS

	2023	2022
	£	£
(a) Staff costs		
Wages and salaries	5,502,741	4,881,544
Social security costs	499,999	399,630
Agency and seconded staff	60,836	26,553
Pension costs – defined contribution schemes	<u>269,541</u>	<u>240,898</u>
	<u>6,333,117</u>	<u>5,548,625</u>
(b) One staff member earned between £70,000 and £80,000 (2022 – one in same band).		
	2023	2022
	No.	No.
(c) Average number of persons directly employed:		
Office and management	29	31
Supervision and instruction	179	164
Support staff	<u>34</u>	<u>38</u>
	<u>242</u>	<u>233</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

14. STAFF COSTS (Continued)

- (d) Directors' and key management personnel remuneration and expenses

No fees were paid to any director for their services as Board members. No travel expenses were reimbursed to Directors in the current year (2022 – £Nil). No amounts were paid directly to third parties.

The total amount of employee benefits received by key management personnel is £227,592 (2022 - £201,453). The charity considers its key management personnel to comprise the Chief Executive Officer, Director of Business Support and Director of Operations.

15. TRANSFERS BETWEEN FUNDS

An amount of £860,778 (2022 - £786,606) was transferred from unrestricted funds to restricted funds as a contribution from general funds which the Directors wish to apply towards the shortfall between restricted funds received and expended in the year.

16. TANGIBLE FIXED ASSETS

	Land and buildings (long leasehold) £	Plant and machinery £	Fixtures, fittings, tools & other equipment £	Total £
Cost:				
At 1 April 2022	6,322,722	341,423	81,876	6,746,021
Additions	-	17,958	1,439	19,397
Disposals	<u>-</u>	<u>-</u>	<u>(7,897)</u>	<u>(7,897)</u>
At 31 March 2023	<u>6,322,722</u>	<u>359,381</u>	<u>75,418</u>	<u>6,757,521</u>
Depreciation:				
At 1 April 2022	4,406,833	335,631	55,105	4,797,569
Charges for the year	110,218	5,001	17,770	132,989
Eliminated on disposals	<u>-</u>	<u>-</u>	<u>(7,897)</u>	<u>(7,897)</u>
At 31 March 2023	<u>4,517,051</u>	<u>340,632</u>	<u>64,978</u>	<u>4,922,661</u>
Net book value:				
At 31 March 2023	<u>1,805,671</u>	<u>18,749</u>	<u>10,440</u>	<u>1,834,860</u>
At 31 March 2022	<u>1,915,889</u>	<u>5,792</u>	<u>26,771</u>	<u>1,948,452</u>

Included in long leasehold land and buildings is land costing £86,330 (2022 - £86,330). Land is not depreciated.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

17. FIXED ASSET INVESTMENTS

	Quoted Investments £
As at 1 April 2022	4,745,049
Additions, at cost	39,740
Realised loss on disposals	(31,292)
Disposals, at valuation	(219,063)
Increase/(decrease) in cash holding	(6,772)
Unrealised loss on revaluation	<u>(93,118)</u>
At 31 March 2023, at market value	<u>4,434,544</u>
At 31 March 2023, at historical cost	<u>2,972,772</u>

The charity's investments are managed on a discretionary basis by two independent investment brokers. Included in investments are cash balances of £7,657 (2022 - £14,429) held as part of the investment portfolio.

18. STOCKS

	2023 £	2022 £
Raw materials and consumables	<u>15,716</u>	<u>16,334</u>

19. DEBTORS

	2023 £	2022 £
Trade debtors	302,358	162,419
Grants due - ESF	375,057	178,177
Grants due - Peace IV	384,400	273,389
Grants due - Other	67,886	188,364
Prepayments and accrued income	209,667	128,741
Other debtors	<u>4,026</u>	<u>347</u>
	<u>1,343,394</u>	<u>931,437</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

20. CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Bank overdraft	420,062	-
Trade creditors	356,186	284,298
Other taxation and social security	108,693	106,900
Deferred income	264,546	623,397
Accruals and other creditors	<u>225,723</u>	<u>289,705</u>
	<u>1,375,210</u>	<u>1,304,300</u>

21. DEFERRED INCOME

	Under 1	Over 1	Total
	year	year	£
	£	£	
At 1 April 2022	623,397	-	623,397
Amounts released to income	(623,397)	-	(623,397)
Amounts deferred from income	<u>264,546</u>	<u>-</u>	<u>264,546</u>
At 31 March 2023	<u>264,546</u>	<u>-</u>	<u>264,546</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total
	Funds	Funds	Funds
	£	£	£
Tangible fixed assets	1,834,860	-	1,834,860
Investments	4,434,544	-	4,435,544
Net current assets	<u>9,908</u>	<u>-</u>	<u>9,908</u>
	<u>6,279,312</u>	<u>-</u>	<u>6,279,312</u>

ACTION MENTAL HEALTH
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

23. REVALUATION RESERVE

	£
At 1 April 2022	1,608,548
Net transfer to general fund	<u>(146,776)</u>
At 31 March 2023	<u>1,461,772</u>

This represents the unrealised gains accumulated on the revaluation of fixed asset investments.

24. OTHER UNRESTRICTED FUNDS

	General Fund £	Designated Capital Utilised Fund £	Designated Risk Reserve Fund £	Total £
Unrestricted				
At 1 April 2022	1,169,693	416,065	3,811,666	5,397,424
Deficit for the year	(726,660)	-	-	(726,660)
Transfer to/from general fund	(459,258)	-	459,258	-
Transfer from restricted fund	-	-	-	-
Net transfer from revaluation reserve	146,776	-	-	146,776
Amortisation of capital grants	<u>75,515</u>	<u>(75,515)</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>206,066</u>	<u>340,550</u>	<u>4,270,924</u>	<u>4,817,540</u>

Capital utilised fund:

This represents grants and donations originally received for restricted capital purposes. Having been fully utilised for those purposes they become unrestricted funds and are released to the General Fund at the same rates that depreciation is charged on the assets to which they relate.

Risk reserve fund:

The risk reserve fund represents an amount equivalent to six months of budgeted operational expenditure which the Board feel is prudent to set aside in line with the charity's risk and reserve policies.

25. TAXATION

The company has been accepted by HM Revenue & Customs as a charity (reference no. XN 47959).

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

26. CONTINGENT ASSETS AND LIABILITIES

A portion of grants received may become repayable if the charity fails to comply with the terms of the relevant letters of offer.

27. CONDUIT FUNDING

AMH acts as lead partner for Youth Action on the ESF, Working It Out project and for PIPS, a Public Health Agency, Protect Life project.

At the balance sheet date AMH held the following balances in respect of the above:

	Youth Action	PIPS
	£	£
Debtor	4,010	-
Cash at Bank	-	21,648
Creditor	<u>4,010</u>	<u>21,648</u>

In accordance with SORP (FRS 102) these balances have not been included in the Balance Sheet.

28. PENSIONS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £269,541 (2022 - £240,898)

29. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2023

31. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than one year	61,581	155,323
Later than one and not later than five years	96,000	80,000
Later than five years	<u>180,000</u>	<u>170,000</u>