

ACTION MENTAL HEALTH
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

Company Registration No. NI5568

CRAWFORD SEDGWICK & CO
Chartered Accountants & Registered Auditors
38 Hill Street
Belfast
BT1 2LB

ACTION MENTAL HEALTH

DIRECTORS – MAIN BOARD

H W R Kohner, Chairman

R C Mowbray, Vice Chair

R A Boyd, Hon. Treasurer

Mrs K R Canavan

G M Carson

Mrs P J Cross

E F Fee

Mrs S E Hillan

T A J McKeever

C B McMurray

W B Perceval-Price

Mrs R Strange

J L C Thompson

SECRETARY

Mrs P J Cross

CHIEF EXECUTIVE OFFICER

I Walters (retired August 2010)

D Babington (appointed August 2010)

REGISTERED OFFICE

The Tughan Centre

Mourne House

Knockbracken Healthcare Park

Saintfield Road

Belfast

BT8 8BH

INVESTMENT BROKERS

James Sharp & Co

39 Knowsley Street

Bury

Lancashire

BL9 0ST

BANKERS

Northern Bank

58 Market Street

Downpatrick

BT30 6LX

AUDITORS

Crawford Sedgwick & Co

38 Hill Street

Belfast

BT1 2LB

REPORT AND FINANCIAL STATEMENTS

	Pages
Directors' report	2 - 6
Auditors' report	7 - 8
Statement of financial activities	9 - 10
Summary income and expenditure account	11
Balance sheet	12
Cashflow statement	13 - 14
Notes to the financial statements	15 - 23

ACTION MENTAL HEALTH

DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 March 2011.

CONSTITUTION

Action Mental Health (AMH) is a company limited by guarantee, governed by the Memorandum and Articles of Association.

PRINCIPAL ACTIVITIES AND OBJECTS

AMH is a voluntary organisation which provides vocational training, employment guidance and personal development services to people recovering from mental illness or with a learning disability. The charity has 14 centres throughout Northern Ireland which offer services to young people and adults. Our aim is to help them lead more inclusive lives in their communities and wherever possible to find employment.

More information on AMH's work and achievements during 2010/11 is in the Annual Review.

This financial year was one of great uncertainty. Although there were no significant changes to our financial standing in the financial year there was a significant amount of planning for the coming 2011/12. Having been awarded ESF funding for our New Horizons units and for the first time for Promote, our Learning Disability project, AMH was informed in December that there would be a 25% reduction in ESF funding from April 2011. After a rapid review of the whole organisation it was agreed by the Board that there should be a reduction of 21 posts and considerable changes to service delivery, with changes starting in March. It was also agreed that three sites would be put up for sale and that, amongst other changes, catering charges would be introduced. Following a period of review a decision was taken that the Vote project should be closed with the loss of 4 staff.

To add to the uncertainty the possible merger with the Cedar Foundation did not proceed. Since 2009 a lot of effort had been expended by the Board and the Chief Executive in working towards a merger, in particular with a Viability Study, to explore the merits of such a move however it came to an end in March. Very quickly this led to the process of conducting a strategic review to assess the options open to AMH in delivering quality services to client groups whilst securing a more sustainable AMH in the longer term.

Remarkably, given the uncertainty and changes, AMH has achieved its targets in 2010/2011 and set in place a rolling process of change throughout the organisation, details are;

- **Governance**

Given the wide range of changes agreed throughout the organisation the Board committed to review the way AMH was led through the commissioning of a governance audit. This will ensure that AMH is incorporating best practice and provide reassurance that processes and procedures are in line with new legislation and the requirements of the recently established Charity Commission for Northern Ireland.

The Board's commitment to high standards of corporate governance continued this year with the Board meeting 5 times; the Finance and General Purposes Committee held 7 meetings and the Audit Committee met on 3 occasions. As part of AMH's governance arrangements Information Technology, Health & Safety and Human Resources policies were regularly reviewed and kept up to date. Throughout the year a number of audits from DEL, DETI and others provided reassurance to the Board.

An evaluation of our New Horizons services was published in November and it served to demonstrate the value of AMH services to clients from 2008-2010. The evaluation concluded that the services are highly regarded and deliver value for money and in some cases deliver them at well over 30% less cost than comparable services in the statutory sector.

ACTION MENTAL HEALTH

DIRECTORS' REPORT *(continued)*

The overall client satisfaction levels were 94% and it pointed out that it delivered savings to the mental health care budget of £7.463M. It concluded by saying that there is overwhelming evidence to suggest that New Horizons is meeting the needs of the target audience and this is corroborated across all stakeholders.

Further evidence of AMH's value for money services was demonstrated by the feedback from the two successful ESF applications in December. The scores for value for money were the highest scored by AMH and this was further endorsed by separate independent economic appraisals which evaluated AMH's service delivery model.

The five Health and Social Care Trusts continue to purchase services from AMH through annual contracts, all at varying levels and each with their own particular requirements. As with last year there was satisfactory compliance with these contracts and this is closely monitored through regular review meetings.

- **Property**
The Board agreed that the services in Belfast, Antrim and Greenbank in Newry should move to more appropriate locations which were closer to the community and in smaller more suitable premises. As a result the three sites have been put on the market for sale or rent; the Board will look at any options including renting out part of the old premises or re-configuring them for part sale. The new services will move to rented property or use facilities free of charge from other organisations such as libraries in order to deliver services.
- **ESF Outcomes**
AMH New Horizons use ESF funding and matched funding from the Health Trusts and DEL to deliver a wide range of outcomes measured in terms of helping our clients to complete accredited training and to progress towards employment. For example over 2010-11 we delivered training and employability programmes to 1376 clients, including 612 new starts which was 15% above target. We also enabled clients to achieve 1734 accredited qualifications against a target of 1526.
- **Fundraising**
Fundraising has continued to play a part in contributing to AMH services and projects and for the future this will become even more important. A dedicated fundraising team meets regularly to assess and direct effort and as a result the total raised this year has been over £150,000.
- **Partnership/Collaboration**
Over the years AMH has developed partnerships with organisations in the public, private and voluntary sectors. Long standing relationships with NICVA, CO3, ACEVO, LTCANI and Disability Action continue. We are also members of the Joint Forum (a Government/voluntary sector group), the All Party Working Group on Disability and the Disability Social Care Forum. This aspect of collaborative working has been recognised as a key factor in future years and will determine the ability of AMH to win new business and provide more diverse funding streams. In particular partnerships with private sector organisations are recognised as an area for exploration and development.

Regarding the LTCANI, AMH continues to lead the partnership in a programme of training for people with various long term conditions to help them self manage their conditions in the Western Trust area. The programme is making very good progress and in the year to March 2011 195 people with long term conditions attended 20 courses.

ACTION MENTAL HEALTH

DIRECTORS' REPORT *(continued)*

In support of the efforts to collaborate and win business there have been planned events to engage with politicians, the most notable of these opportunities was an Election Manifesto launch at Stormont in February when Ministers and MLAS were told about AMH's work and asked to support our election pledges. These contacts have proved useful in trying to understand and anticipate the external environment, in particular the priorities for health and the future of commissioning of services in the health sector in the region.

- **Organisation and People**

During the year AMH was delighted to be awarded iIP Champion status, this was the culmination of a number of years work. Also Craigavon New Horizons and Promote attained Customer Service Excellence (CSE) recognition and Fermanagh New Horizons gained 100% compliance in the CSE annual health check. We also took measures to implement an Individual Placement with Support Services (IPS) model of best practice in association with the Belfast Health and Social Care Trust. The aim of this scheme is to help those suffering from mental illness get into employment much quicker than traditional ways, hence hastening recovery times. AMH also delivered mental health and stress awareness programmes to 202 employees across 32 employers and coordinated an Employer Best Practice conference in Newry through support from our Employer Forum.

During the year staff turnover was 4.08% for voluntary leavers.

Looking beyond 2010/11, AMH will need to continue to change and adapt in response to clients' and funders' needs. The current strategic review will look at where AMH positions itself in the sector and this will bring a much sharper focus on diversifying income streams to ensure a more sustainable future. The Directors will continue to support the Chief Executive and his team as they adjust to the changing environment.

RESULTS

A deficit of £11,282 (2010: £81,482 surplus) was recorded from continuing operations in the year which includes £77,106 of redundancy costs. Income from bank interest and dividends was £42,623, down from £47,522 in 2010, resulting in an operating surplus for the year of £31,341 (2010: £129,004).

Gains from the sale of stock market investments in the year were £18,989 (2010 : £22,884). The overall net movement on general fund for the year was a surplus of £50,300 (2010 : £151,738).

DIRECTORS

Mrs. K R Canavan, Mrs P J Cross, Mrs S E Hillan, Mrs R Strange and Messrs. Boyd, Carson, Fee, Kohner, McKeever, McMurray, Mowbray, Perceval-Price and Thompson all served throughout the year.

It is company policy to provide an induction programme for newly appointed directors to acquaint them with the organisation's policy and practice, its aims and activities, management and governance and also what is expected of them under charity law.

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. None of the directors had any material interest in contracts with the company during the year.

ACTION MENTAL HEALTH

DIRECTORS' REPORT *(continued)*

ORGANISATIONAL STRUCTURE

Day to day decision making is under the supervision of the Chief Executive Officer, Mr I Walters (retired August 2010), now Mr D Babington (appointed August 2010) with regular reporting to the Finance and General Purposes Committee and the Board. Decisions on strategy, policy and material capital expenditure are taken by the full Board. In line with corporate good practice the company has an audit committee currently comprising of three independent and 2 Board members together with the Chief Executive Officer and with the external auditors in attendance when appropriate. The audit committee is tasked with monitoring the organisations financial control systems and procedures.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors (who are the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The directors 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. The directors 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.

In so far as the directors 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 the information.

RESERVES POLICY

Due to the uncertain nature of our funding, it is the Board's policy to maintain a designated risk reserve equal to six months expenditure. This will allow an orderly rundown of any or all projects should funding become unavailable in the future. In addition the Board will continue to maintain a general reserve in line with its strategic plan to allow new projects to commence once funding has been agreed and to cover short term fluctuations in general funding. As at 31 March 2011 the balance on the general fund is £456,800.

RISK STRATEGY

A risk register is maintained in relation to all material risks posing financial threat to the organisation. This register is reviewed at audit committee meetings and at each board meeting to ensure systems and procedures are established to mitigate those risks identified and to minimise any potential impact on the organisation.

ACTION MENTAL HEALTH

DIRECTORS' REPORT *(continued)*

INVESTMENT POLICY AND PERFORMANCE

The company's policy is to seek balanced risk stocks with sound asset backing, quoted on a recognised Stock Exchange to supplement the return on deposits. They are treated as fixed assets because of the longer term position taken,

The Board delegates authority to the Finance and General Purposes committee to oversee, monitor and advise the Board on investment decisions.

The company utilises the services of suitably qualified and experienced advisors to provide advice and administration of the investments, however the directors realise they are ultimately responsible for the overall management of the investments.

AUDITORS

A resolution to appoint auditors will be proposed at the annual general meeting.

By order of the board



Mrs P J Cross
Secretary
23rd June 2011

ACTION MENTAL HEALTH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Action Mental Health for the year ended 31 March 2011 on pages 9 to 23 which have been prepared under the historical cost convention, as modified by the revaluation of investments, and the accounting policies set out on page 15.

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Directors' Responsibilities on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors remuneration specified by law are not made.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ACTION MENTAL HEALTH

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS *(continued)*

YEAR ENDED 31 MARCH 2011

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the directors report is consistent with the financial statements.

38 Hill Street
Belfast
BT1 2LB
23rd June 2011



W A CRAWFORD
(Senior Statutory Auditor)
For and on behalf of
CRAWFORD SEDGWICK & CO
Chartered Accountants
& Registered Auditors

ACTION MENTAL HEALTH

STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2011

	Notes	Restricted £	Unrestricted £	2011 £	2010 £
INCOMING RESOURCES					
Incoming Resources From Charitable Activities					
<i>Grants & contracted funding:</i>	3				
- Rehabilitation programmes		3,824,768	-	3,824,768	3,773,567
- Employment services		251,767	-	251,767	273,684
- Welfare & education		49,818	-	49,818	85,674
<i>Fees – Employment services</i>		255,380	-	255,380	202,628
<i>Contribution from trading activities:</i>					
- Rehabilitation programmes		-	41,236	41,236	71,605
Incoming Resources From Generated Funds					
<i>Voluntary income</i>	4a	62,000	103,549	165,549	141,799
<i>Activities for generating funds</i>	4b	-	154,041	154,041	116,710
<i>Investment income:</i>					
- Interest		-	7,541	7,541	23,315
- Dividends			35,082	35,082	24,207
TOTAL INCOMING RESOURCES		4,443,733	341,449	4,785,182	4,713,189
RESOURCES EXPENDED					
Charitable Activities					
<i>Rehabilitation programmes</i>	5	3,895,333	-	3,895,333	3,912,677
<i>Employment services</i>	5	593,175	-	593,175	502,462
<i>Welfare and education services</i>	5	106,257	-	106,257	99,830
Cost of generating funds					
<i>Fundraising costs</i>	5	-	21,260	21,260	20,755
Exceptional costs					
<i>Redundancy costs</i>		-	77,106	77,106	-
		4,594,765	98,366	4,693,131	4,535,724
Governance costs	6	-	60,710	60,711	48,461
TOTAL RESOURCES EXPENDED		4,594,765	159,076	4,753,842	4,584,185
NET INCOMING (OUTGOING)					
RESOURCES BEFORE TRANSFERS		(151,032)	182,373	31,341	129,004

ACTION MENTAL HEALTH

STATEMENT OF FINANCIAL ACTIVITIES (continued) **YEAR ENDED 31 MARCH 2011**

	Notes	Restricted £	Unrestricted £	2011 £	2010 £
NET INCOMING (OUTGOING) RESOURCES BEFORE TRANSFERS	8	(151,032)	182,373	31,341	129,004
TRANSFER BETWEEN FUNDS	10	151,032	(151,032)	-	-
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS/(LOSSES)		-	31,341	31,341	129,004
OTHER RECOGNISED GAINS/(LOSSES)					
Realised gains	7	-	18,959	18,959	22,884
Unrealised gain (losses)	12	-	127,131	127,131	130,780
TRANSFER FROM (TO) REVALUATION RESERVE					
Unrealised (gains) losses dealt with through revaluation reserve	17	-	(127,131)	(127,131)	(130,930)
NET INCOMING RESOURCES FOR THE YEAR		-	50,300	50,300	151,738
TRANSFER TO DESIGNATED FUNDS		-	(582,677)	(582,677)	-
FUNDS AT 1 APRIL 2010		-	989,177	989,177	837,439
FUNDS AT 31 MARCH 2011		-	456,800	456,800	989,177

The statement of financial activities includes all gains and losses in the year.
All of the above amounts relate to continuing activities.

ACTION MENTAL HEALTH

SUMMARY INCOME AND EXPENDITURE ACCOUNT **YEAR ENDED 31 MARCH 2011**

	Notes	2011 £	2010 £
INCOME			
Income – continuing operations		4,742,559	4,665,667
EXPENDITURE			
Net operating expenditure		(4,753,841)	(4,584,185)
Operating (deficit) surplus – continuing operations		(11,282)	81,482
Income from fixed asset investments		35,082	24,207
Other interest receivable and similar income		7,541	23,315
Surplus on ordinary activities		31,341	129,004
Exceptional item:			
Surplus on sale of fixed asset investments		18,959	22,884
Unrealised (deficits) on revaluation of fixed asset investments		-	(150)
SURPLUS FOR THE YEAR		50,300	151,738

The income and expenditure all relates to continuing activities.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES **YEAR ENDED 31 MARCH 2011**

Surplus for the year		50,300	151,738
Unrealised gains on fixed asset investments dealt with through revaluation reserve	12	127,131	130,930
Total recognised gains and losses for the year		177,431	282,668

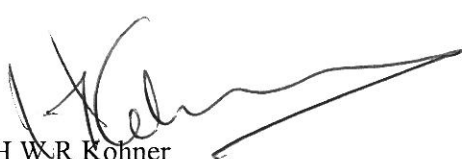
The company has no recognised gains or losses other than those included above


ACTION MENTAL HEALTH

BALANCE SHEET AT 31 MARCH 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	11	2,352,800	2,519,168
Investments	12	880,481	741,321
		<hr/>	<hr/>
		3,233,281	3,260,489
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	13	14,628	64,460
Debtors	14	671,511	213,015
Investments – term deposits		-	1,075,166
Cash at bank and in hand		1,051,230	242,342
		<hr/>	<hr/>
		1,737,369	1,594,983
		<hr/>	<hr/>
CREDITORS: Amounts falling due within one year	15	(531,977)	(524,720)
		<hr/>	<hr/>
NET CURRENT ASSETS		1,205,392	1,070,263
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,438,673	4,330,752
		<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES			
Unrestricted funds: General fund		456,800	989,177
Revaluation reserve	17	285,169	158,039
Designated funds	18	3,696,704	3,183,536
		<hr/>	<hr/>
		4,438,673	4,330,752
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 9 to 23 were approved by the board of directors on 23rd June 2011 and were signed on its behalf by


H W R Kohner
Chairman


R A Boyd
Hon. Treasurer

ACTION MENTAL HEALTH

CASHFLOW STATEMENT **YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
NET CASH (OUTFLOW) INFLOW FROM CONTINUING OPERATING ACTIVITIES	(312,913)	185,422
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	7,541	23,315
Dividends	35,082	24,207
Interest paid	-	-
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	42,623	47,522
CAPITAL EXPENDITURE & FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(2,917)	(58,147)
Purchase of investments	(25,027)	(198,563)
Sale of fixed asset investments	31,956	73,486
NET CASH INFLOW (OUTFLOW) FROM CAPITAL EXPENDITURE & FINANCIAL INVESTMENT	4,012	(183,224)
(DECREASE)/INCREASE IN CASH	(266,278)	49,720

ACTION MENTAL HEALTH

NOTES TO THE CASHFLOW STATEMENT YEAR ENDED 31 MARCH 2011

	2011 £	2010 £	
1. RECONCILIATION OF OPERATING SURPLUS (DEFICIT) TO NET CASHFLOW FROM OPERATING ACTIVITIES			
Operating surplus (deficit)	(11,282)	81,482	
Depreciation	204,385	191,659	
Amortisation of government grants (capital)	(104,609)	(106,036)	
(Increase) / Decrease in stocks	49,832	(7,384)	
Decrease (increase) in debtors	(458,496)	49,954	
(Decrease) increase in creditors	7,257	(24,254)	
	<hr/>	<hr/>	
Net cash inflow (outflow) from operating activities	(312,913)	185,422	
	<hr/>	<hr/>	
2. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
(Decrease)/Increase in cash	(266,278)	49,720	
	<hr/>	<hr/>	
Movement in net funds in period	(266,278)	49,720	
	<hr/>	<hr/>	
Net funds at 1 April 2010	1,317,508	1,267,788	
	<hr/>	<hr/>	
Net funds at 31 March 2011	1,051,230	1,317,508	
	<hr/> <hr/>	<hr/> <hr/>	
3. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1 April 2010 £	Cashflows £	At 31 March 2011 £
Cash on hand	242,342	808,888	1,051,230
Short term deposits	1,075,166	(1,075,166)	-
	<hr/>	<hr/>	<hr/>
Total cash	1,317,508	(266,278)	1,051,230
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ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 MARCH 2011**

1. ACCOUNTING POLICIES

- (a) The financial statements are prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value. In preparing the financial statements the company follows the recommendations in Statement of Recommended Practice: Accounting and Reporting by Charities (2005) and applicable Accounting Standards.
- (b) 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.
- (c) Donations and contributions are included in full in the Statement of Financial Activities when received.
- (d) Restricted funds are to be used for specified purposes by reference to the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and costs.
- (e) Unrestricted funds represent other incoming resources received or generated for charitable purposes.
- (f) 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, in equal annual instalments on the following bases:-
- | | |
|---------------------|----------------|
| Land | None |
| Buildings | 4% |
| Plant and machinery | 20% and 16.66% |
| Office equipment | 20% and 33.33% |
| Motor vehicles | 25% |
- (g) Government and European grants received against capital expenditure are included in full in the Statement of Financial Activities as restricted income. Once they are utilised they are transferred to a designated unrestricted fund which is then reduced over the useful economic life of the asset in line with depreciation,
- (h) Stocks are stated at the lower of cost and net realisable value.
- (i) The company operates a defined contribution scheme the assets of which are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the scheme in the accounting period.
- (j) All operating lease rentals are charged to Statement of Financial Activities as incurred.
- (k) Investments are stated on the balance sheet at market value and all movements, including realised and unrealised gains and losses, are shown in the Statement of Financial Activities.

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

2. MEMBERS LIABILITY

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

	Restricted £	Unrestricted £	2011 £	2010 £
3. GRANTS AND CONTRACTED FUNDING				
Amounts received and receivable				
<i>Rehabilitation programmes</i>				
Contracted funding –				
Health & Social Care Trusts:				
- Northern	227,820	-	227,820	230,416
- Southern	378,218	-	378,218	414,789
- Belfast	226,574	-	226,574	224,171
- South Eastern	760,559	-	760,559	749,980
- Western	383,979	-	383,979	390,104
Grants –				
- European Social Fund	1,735,067	-	1,735,067	1,617,531
- Local Health & Soc Care Groups	27,671	-	27,671	15,857
- Awards for All	-	-	-	7,224
- Community Dev & Health Network	29,381	-	29,381	36,858
- Bombardier Aerospace (NI) Foundation	-	-	-	5,000
- The John Atcheson Foundation	-	-	-	13,500
- Ulster Garden Villages	20,000	-	20,000	-
- TBF Thompson	5,000	-	5,000	-
- Big Lottery Fund	14,000	-	14,000	-
- Marks & Spencer	2,000	-	2,000	-
- AE Harvey Charitable Trust	2,500	-	2,500	-
- The Baily Thomas Charitable Fund	-	-	-	40,000
- Western H&SC Trust	-	-	-	375
- Sundry grants	46,428	-	46,428	2,024
To capital purposes (see note 18)	(35,100)	-	(35,100)	-
Deferred balance b/forward	240,942	-	240,942	261,032
From rehabilitation programme	-	-	-	5,648
	4,065,039	-	4,065,039	4,014,509
Amounts deferred c/forward	(240,271)	-	(240,271)	(240,942)
Funding utilised	<u>3,824,768</u>	<u>-</u>	<u>3,824,768</u>	<u>3,773,567</u>

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

	Restricted £	Unrestricted £	2011 £	2010 £
3. GRANTS AND CONTRACTED FUNDING (continued)				
Amounts received and receivable				
<i>Employment Services</i>				
Grants –				
South Eastern H&SC Trust	146,575		146,575	148,145
Dept. for Employ & Learning	118,869	-	118,869	116,703
Sundry grants	(105)	-	(105)	-
Amounts deferred b/f	47,652	-	47,652	62,136
Deferred balance moved to rehabilitation programmes	-	-	-	(5,648)
	<u>312,991</u>	<u>-</u>	<u>312,991</u>	<u>321,336</u>
Amounts deferred c/f	(61,224)	-	(61,224)	(47,652)
Funding utilised	<u>251,767</u>	<u>-</u>	<u>251,767</u>	<u>273,684</u>
 <i>Welfare & Education</i>				
Grants –				
Southern H&SC Trust	12,119	-	12,119	16,100
Western H&SC Trust	49,000	-	49,000	49,000
Children in Need	21,835	-	21,835	21,142
Long Term Conditions Alliance	(12,203)	-	(12,203)	689
Other grants	-	-	-	8,784
Amounts deferred b/f	29,392	-	29,392	19,351
	<u>100,143</u>	<u>-</u>	<u>100,143</u>	<u>115,066</u>
Amounts deferred c/f	(50,325)	-	(50,325)	(29,392)
Funding utilised	<u>49,818</u>	<u>-</u>	<u>49,818</u>	<u>85,674</u>
Total grants and contracted funding utilised	<u>4,126,353</u>	<u>-</u>	<u>4,126,353</u>	<u>4,132,925</u>
	=====	=====	=====	=====
	Restricted £	Unrestricted £	2011 £	2010 £
4a. VOLUNTARY INCOME				
Rank Foundation	24,000	-	24,000	-
Monument Trust	38,000	-	38,000	-
DHSSPS grant – admin	-	85,237	85,237	85,237
John Atcheson Foundation	-	6,000	6,000	-
Donations	-	12,312	12,312	56,562
	<u>62,000</u>	<u>103,549</u>	<u>165,549</u>	<u>141,799</u>
	=====	=====	=====	=====

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 MARCH 2011**

	Restricted £	Unrestricted £	2011 £	2010 £
4b. ACTIVITIES FOR GENERATING FUNDS				
Salary recovery-USEL	-	12,926	12,926	12,387
Administration fees	-	43,662	43,662	54,883
Health in Mind course fees	-	47,031	47,031	-
Rents and room hire	-	22,799	22,799	19,835
Counselling and training fees	-	2,763	2,763	1,330
Recovery of abortive merger fees	-	9,910	9,910	-
Grant of access	-	-	-	15,000
Sundry income	-	14,950	14,950	13,275
	-----	-----	-----	-----
	-	154,041	154,041	116,710
	=====	=====	=====	=====

5. SUPPORT COST ALLOCATIONS

Resources expended include the undernoted support costs.

Support cost	Fund - raising £	Rehab. progs £	Employ. services £	Welfare & Educ. £	Basis of allocation
Admin & Finance	2,192	416,633	61,641	11,026	Pro-rata to expenditure
Information Technology	234	44,305	6,555	1,173	Pro-rata to expenditure
Public Relations	107	20,422	3,021	541	Pro-rata to expenditure
Human Resources	796	83,484	17,808	3,335	Pro-rata to salary costs
Total support costs	3,329	564,844	89,025	16,075	673,273
Direct costs	17,931	3,407,595	504,150	90,182	4,019,858
Total costs	----- 21,260	----- 3,972,439	----- 593,175	----- 106,257	----- 4,693,131
	=====	=====	=====	=====	=====

6. GOVERNANCE COSTS

Governance costs relate to the general running and oversight of the organisation and include costs for audit, accountancy, legal, AGM, annual report and meetings.

7. REALISED GAINS

	2011 £	2010 £
Gain on sale of fixed asset investments	18,959	22,884
	=====	=====

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
8. NET INCOMING (OUTGOING) RESOURCES		
BEFORE TRANSFERS		
This is stated after charging:		
Staff costs (note 9)	2,987,853	2,975,365
Depreciation:		
- owned tangible fixed assets	204,385	191,659
Amortisation of government grants (capital)	(104,609)	(106,036)
Auditors' remuneration – audit (including projects)	10,550	15,125
- other services	-	-
Pension costs – defined contribution scheme	95,982	91,673
	=====	=====

	2011 £	2010 £
9. STAFF COSTS		
(a) Staff costs		
Wages and salaries	2,637,580	2,545,334
Social security costs	242,516	229,716
Agency & seconded staff	107,757	200,315
	-----	-----
	2,987,853	2,975,365
	=====	=====

(b) No staff member earned in excess of £60,000.

(c) No fees were paid to any director for their services as board members. Directly incurred expenses are reimbursed, if claimed.

	No.	No.
(d) Average number of persons directly employed		
Office and management	18	18
Supervision and instruction	57	57
Support staff	65	61
Other staff	7	9
	-----	-----
	147	145
	=====	=====

10. TRANSFERS BETWEEN FUNDS

The amount of £151,032 was transferred from unrestricted funds to restricted funds as a contribution from general funds which the directors wish to apply towards the shortfall.

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

11. TANGIBLE FIXED ASSETS

	Land and Buildings (long leasehold) £	Plant and machinery £	Motor vehicles £	Fixtures, fittings tools & equipment Other £	Total £
Cost:					
At 1 April 2010	5,230,918	441,162	71,989	100,400	5,844,469
Additions	35,100	2,917			38,017
Disposals	-	(57,330)	-	(4,724)	(62,054)
At 31 March 2011	<u>5,266,018</u>	<u>386,749</u>	<u>71,989</u>	<u>95,676</u>	<u>5,820,432</u>
Depreciation					
At 1 April 2010	2,759,294	402,179	69,414	94,414	3,325,301
Charges for the year	192,783	8,453	2,575	574	204,385
Eliminated on disposals	-	(57,330)	-	(4,724)	(62,054)
At 31 March 2011	<u>2,952,077</u>	<u>353,302</u>	<u>71,989</u>	<u>90,264</u>	<u>3,467,632</u>
Net book value:					
At 31 March 2011	<u>2,313,941</u>	<u>33,447</u>	<u>-</u>	<u>5,412</u>	<u>2,352,800</u>
At 31 March 2010	<u>2,471,624</u>	<u>38,983</u>	<u>2,575</u>	<u>5,986</u>	<u>2,519,168</u>

No fixed assets are subject to hire purchase or finance contracts.

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 MARCH 2011**

12. FIXED ASSET INVESTMENTS

	Quoted Investments £
As at 1 April 2010	741,321
Additions, at cost	25,027
Disposals	(31,956)
Realised gains	18,959
Unrealised gain on revaluation	<u>127,131</u>
At 31 March 2011, at market value	880,482
At 31 March 2011, at historical cost	<u><u>832,635</u></u>

The quoted investments are all listed on European Stock Exchanges.

	2011 £	2010 £
13. STOCKS		
Raw materials and consumables	14,567	59,781
Finished goods and goods for sale	61	4,679
	<u>14,628</u>	<u>64,460</u>

	2011 £	2010 £
14. DEBTORS		
Trade debtors	88,758	65,280
Grants due - C&E	418,343	53,401
- Other	15,671	-
Prepayments and accrued income	52,051	18,952
Other debtors	96,688	75,382
	<u>671,511</u>	<u>213,015</u>

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

	2011 £	2010 £
15. CREDITORS: Amounts falling due within one year		
Trade creditors	53,332	8,025
Other taxation and social security	-	62,206
Deferred income	360,891	339,906
Accruals	117,754	114,582
	<hr/>	<hr/>
	531,977	524,719
	<hr/> <hr/>	<hr/> <hr/>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets & investments	-	3,233,281	3,233,281
Current assets	351,820	1,385,549	1,737,369
Liabilities	(351,820)	(180,157)	(531,977)
	<hr/>	<hr/>	<hr/>
	-	4,438,673	4,438,673
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

17. REVALUATION RESERVE

	£
At 1 April 2010	158,039
Transfer (to) from Statement of Financial Activities	
- Eliminated on disposal	(14,688)
- Surplus on revaluation	141,818
	<hr/>
At 31 March 2011	285,169
	<hr/> <hr/>

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

ACTION MENTAL HEALTH

NOTES TO THE FINANCIAL STATEMENTS **YEAR ENDED 31 MARCH 2011**

18. DESIGNATED FUNDS

	Capital Utilised Fund £	Risk Reserve Fund £	Capital Purposes Fund £	Client Welfare Fund £	Total £
Unrestricted					
At 1 April 2010	1,389,293	-	1,780,469	13,774	3,183,536
Additions (see note 3)	35,100	-	-	-	35,100
Amounts released in year	(104,609)	-	-	-	(104,609)
Transfer from general fund	-	582,677	-	-	582,677
Funds re-designated	-	1,794,243	(1,780,469)	(13,774)	-
At 31 March 2011	<u>1,319,784</u>	<u>2,376,920</u>	<u>-</u>	<u>-</u>	<u>3,696,704</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 (£104,609) to the Statement of Financial Activities at the same rates that depreciation is charged on those assets.

Risk reserve fund:

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

Capital purposes fund:

The capital purposes fund represented income originally set aside by the Board for proposed and future developments. In light of current funding pressures and impending strategic review the Board consider that this fund should be re-designated.

Client welfare fund:

The client welfare fund represented income set aside by the Board to assist clients in necessitous circumstances. The Board consider that this fund is no longer appropriate and clients can be assisted in future from general funds.

19. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under FRS 8.

20. TAXATION

The company has been accepted by the Inland Revenue as a charity (reference no. XN/47959) within the definition of S. 467 Corporation Taxes Act 2010.