

COMPANY REGISTRATION NUMBER NI005568

ACTION MENTAL HEALTH

**(CHARITABLE COMPANY - LIMITED
BY GUARANTEE)**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 2014**

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

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For the Year Ended 31 March 2014

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ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

GENERAL INFORMATION

DIRECTORS – MAIN BOARD

Mr H W R Kohner - Chairman
Mr R C Mowbray - Resigned Vice Chairman 12 Dec'13
Mr P D Fitzsimmons - Appointed Vice Chairman 12 Dec'13
Mr P Barr - Honorary Treasurer
Mrs S E Hillan
Mr T A J McKeever
Mrs P J Cross
Mr C B McMurray
Mr J L C Thompson
Mr E F Fee
Ms P Hunter
Mr D M McKeown
Dr F A O'Neill
Mr S F Pollard
Mr W B Perceval-Price - resigned 12 Dec'13
Mr G M Carson - resigned 12 Dec'13
Mr R A Boyd - resigned 12 Dec'13

SECRETARY

Mrs P J Cross - up to 12 Dec'13
Mrs I Gallen - from 12 Dec'13

CHIEF EXECUTIVE OFFICER

Mr D Babington

REGISTERED OFFICE

AMH Central Office
27 Jubilee Road
Newtownards
BT23 4YH

**RECOGNISED BY HMRC AS A CHARITY
UNDER REFERENCE NUMBER**

XN 47959

BANKERS

Danske Bank
58 Market Street
Downpatrick
BT30 6LX

SOLICITORS

Tughans
Marlborough House
30 Victoria Street, Belfast
BT1 3GG

STATUTORY AUDITORS

Goldblatt McGuigan
Chartered Accountants
Alfred House
19 Alfred Street
Belfast
BT2 8EQ

COMPANY REGISTRATION NUMBER

NI005568

INVESTMENT BROKERS

Cunningham Coates Stockbrokers
The Linenhall
32-38 Linenhall Street
Belfast
BT2 8BG

Brewin Dolphin
7 Drumsheugh Gardens
Edinburgh
EH3 7QH

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2014.

CONSTITUTION

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Day to day decision making is under the supervision of the Chief Executive Officer, Mr D Babington (full time appointment since August 2011) with regular reporting to the Board and its sub committees which include a Finance Committee, Audit and Risk Committee, Nominations and Remuneration Committee and Development Committee. 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 and Risk Committee comprising of 2 independent and 3 Board members; the Chief Executive Officer and Head of Business Support also attend with the external auditors present when appropriate (usually 2 meetings a year). During the year a directors' conference was held, new Articles were approved at the AGM and the Board conducted a Governance Health Check as a follow up to the Governance Review in 2011. Although AMH is waiting to be called forward for registration with the Charities Commission for Northern Ireland, it was confirmed as being on the 'deemed' list.

DIRECTORS

The directors who served the charity during the year are as noted on Page 1.

It is company policy to provide an induction programme for newly appointed directors to acquaint them with the charity'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 charity during the year. Directors serve three consecutive four year terms in office and must retire from office at the end of the AGM following his/her third term in office. Upon retirement, a Director may not be re-appointed for one year.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

OBJECTIVES AND ACTIVITIES

AMH is a voluntary organisation which supports people's mental health and well-being through vocational training, supported employment options, personal development and health and well-being services. It has 13 service locations in Northern Ireland from which it delivers recovery-focused projects for nearly 2,500 adults annually. AMH also provides a range of emotional resilience and suicide/self-harm prevention services reaching over 10,880 young people and adults. The charity operates 3 Men's Sheds, a learning disability project and delivers Government employment programmes.

More information on AMH's work and achievements during 2013/14 is in the Annual Review which is available from the Company's Registered Office and on its website.

STRATEGIC REPORT

Achievements and Performance

The year was characterised by AMH's 50th anniversary which coincided with a period as the Northern Ireland Assembly's first ever charity of the year and as a result there were a number of high profile engagements and events. There was further implementation of the Board's Strategic Plan 2013-2016 with new projects starting and facilities being refurbished. Staff were fully involved with all 5 Health Trusts in the 'Implementing Recovery through Organisational Change' (IMROC) programme which is putting mental health service users at the heart of service development and delivery; they were also involved with Local Commissioning Groups and Integrated Care Partnerships.

Over the year the Board met 6 times; the Finance Committee held 5 meetings, the Audit and Risk Committee met on 4 occasions, the Nominations and Remuneration Committee 4 times and the Development Committee twice. Throughout the year a number of audits from DEL, DETI and others provided reassurance to the Board.

- ***Property***

AMH's owned sites are being progressively upgraded and refurbished; work is underway in Downpatrick and plans are in place for Fermanagh and some further work in Ards. The site in Duncrue Industrial Estate in Belfast is under offer and is planned to be sold in 2014.

- ***Outcomes***

During the year 2,437 clients with mental health needs and/or a learning disability participated in services provided by AMH including New Horizons, Promote, Workable and Work Connect. Although just starting, work with the prison population in Hydebank and Maghaberry, is growing and offenders are working towards accredited outcomes

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

Achievements and Performance (Continued)

- ***Outcomes (Cont'd)***

The 9 New Horizons services funded by the ESF programme and the Health Trusts and DEL deliver a wide range of outcomes for clients with the principal activity being accredited training progressing towards employment. The New Horizons ESF project delivered training and employability programmes to 1,676 clients. Clients achieved 2,753 accredited training outcomes and 176 progressed to paid employment, voluntary work, further training or other government programmes. AMH is also the only organisation in Northern Ireland to deliver the Individual Placement and Support (IPS) service and this has now expanded to 3 staff in two Health Trust areas.

AMH delivers the Long Term Conditions Alliance (NI) project 'Managing the Challenge' and 25 programmes were successfully provided throughout the year with 253 people participating in the self-management programme. Also during the year our MensSana and Salus projects offered a range of mental health promotion and suicide and self-harm interventions across Northern Ireland, Cavan and Donegal; the projects had 10,884 direct beneficiaries. The 3 Mens' Sheds registered 129 older men as participants in their first full year of operation.

In terms of Government Employment Programmes, the SES consortium delivers Work Connect and Workable (NI) across the region: through the Workable contract AMH supported 90 clients and for Work Connect, 291 clients were supported by AMH of which 64 gained employment during 2013/14.

- ***Partnership Working***

This year the Together For You partnership was launched, led by AMH, consisting of 8 other charity partner organisations. This unique consortium, funded by the Big Lottery Fund, is delivering a range of mental health and emotional resilience building interventions across the region for over 2 years. The Salus cross border project was also launched in partnership with National Learning Network and the HSE in the Republic of Ireland and it complements the work of Together For You. AMH continues to co-lead six other charities as part of the SES consortium delivering DEL's Work Connect and Workable employment programmes. AMH also delivers the Long Term Conditions Alliance NI's Self-Management programme on behalf of over 20 other charities and retains a close working partnership with NICVA, CO3, NICON and ACEVO and has contributed regularly to the All Party Working Group for Mental Health at Stormont.

- ***Communications/Events***

Services throughout the region celebrated the 50th anniversary by holding local events to highlight client achievements, which culminated in a day in the Stormont estate for over 500 clients and staff. Engagement with politicians continued and the Assembly Charity of the Year concluded in a unique 'Statements in the House' event with clients addressing the Chairs of four Assembly Committees. The richness and diversity of clients' talents was displayed at various exhibitions and a joint project with the Arts Council created a hugely popular book sofa.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

Achievements and Performance (Continued)

- ***Organisation and People***

AMH has seen an unprecedented growth in its service development in the period, culminating in a 22% increase in its workforce, with 173 employees recorded by end of March 2014. AMH continues to recruit and retain skilled staff and in 2013-14 achieved a staff turnover figure of only 3.75% against a maximum of 6% annually.

During the year AMH was also delighted to be recognised as a finalist in the "Best Place to Work" category of The Irish News Awards.

Craigavon New Horizons, Fermanagh New Horizons and Promote all retained 100% compliance on their Customer Service Excellence (CSE) health checks again this year. The Quality Improvement Team (QIT) reviewed the Staff Satisfaction figures for the 2013 survey and were pleased to note that the response rate had increased from 57% in 2011 to 97% in 2013. The QIT were also delighted to note an increase in staff satisfaction from 79% in 2011 to 85.2% in 2013.

AMH received confirmation of IIP Gold award and Champion status as a result of a reaccreditation exercise.

- ***Financial Review***

During the year the organisation applied careful cost control to its operations and managed to produce a small surplus to support its prudent reserves policy. The organisation followed prescribed tendering procedures for all expenditure and the several external audits of its financial activities produced satisfactory results. The organisation remains well able, in financial and managerial terms, of continuing to deliver its excellent array of programmes provided it receives renewal of the appropriate service provision contracts.

Looking to the Future

In 2014/15 AMH will focus on delivering the 2013-2016 Strategic Plan but it is fully recognised that as the public sector funding backdrop worsens further effort will be required to adapt to the changing external environment. There will be more changes to mental health services and welfare reform will continue to generate uncertainty amongst AMH clients. AMH staff will endeavour to assist concerned clients to understand these changes and the development of a new client forum will give clients a medium to contribute to the shaping of their own recovery. The Board and the Senior Management are committed to developing existing projects and innovating with new programmes in different geographic areas in response to client demand and this will generate a wider range of opportunities for them. It will also ensure greater long term sustainability for AMH. The Board is also mindful of the huge commitment by staff and fully support the Chief Executive and his team.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS (Continued)

Principal Risks and Uncertainties

Key risks and uncertainties affecting the charity are set out below:

- **Reputational**

The major reputational risk for the charity is a loss of trust with beneficiaries, funders or the public.

- **Financial**

The major financial risks that the charity faces are the possible termination of funding from other bodies, the future of contracts and fluctuations in investments.

- **Legal and governance**

The major legal and governance risks for the charity are, to act in a breach of trust, acting outside of regulatory or other good governance requirements and conflicts of interest.

The charity recognises the above 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 key funders.

RISK STRATEGY

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

RESULTS

The charity had total incoming resources of £5,723,758 (2013 - £4,740,635) for the year ended 31 March 2014 and the principal sources of this funding are as disclosed in note 3 of the financial statements.

Unrealised gains on investments were £55,216, down from £202,048 in 2013.

The overall net movement on unrestricted funds for the year was a surplus of £149,865 (2013 - £232,574). 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 2014 was £4,784,423 (2013 - £4,634,558).

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 21). The level of free reserves at the year-end (excluding designated reserves) was £608,995 (2013 - £490,709) (see note 21).

INVESTMENT POLICY AND PERFORMANCE

The Finance committee, a Board sub-committee, oversees, monitors and advises the Board on investment decisions.

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 services and new projects whilst a diversified spread of investments is maintained.

The Finance committee conducted a 12 month review of investments and reported to the Board in March 2014. Reports on performance are provided to the Board 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.

DIRECTORS' RESPONSIBILITIES

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.

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.

ACTION MENTAL HEALTH
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REPORT OF THE DIRECTORS (Continued)


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.

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

On behalf of the Board of Directors



Mr HWR Kohner
Director and Chairman

Date: 12 - 6 - 14

Accepted as a charity by HM Revenue & Customs
under Reference No: XN 47959

Registered in Northern Ireland
No. NI005568



GOLDBLATT McGUIGAN

Alfred House, 19 Alfred Street, Belfast BT2 8EQ

DX 3910 NR BELFAST 50

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www.goldblattmcguigan.com

ACTION MENTAL HEALTH (LIMITED BY GUARANTEE)

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF ACTION MENTAL HEALTH

We have audited the financial statements of Action Mental Health for the year ended 31 March 2014 on pages 11 to 29 which have been prepared on the basis of the accounting policies set out on pages 17 and 18.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS
OF ACTION MENTAL HEALTH (Continued)

Opinion on Financial Statements

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 2014 and of its 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.

Opinion on other matters prescribed by the Companies Act 2006


In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Alfred House
19 Alfred Street
Belfast
BT2 8EQ


MR JACKIE SMITH FCA
(Senior Statutory Auditor)
For and on behalf of
GOLDBLATT McGUIGAN
Chartered Accountants
& Statutory Auditor

Date: 14 August 2014

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 March 2014

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
Incoming Resources From Charitable Activities:					
<i>Grants & contracted funding:</i>	3				
- <i>Rehabilitation programmes</i>		4,252,152	-	4,252,152	3,467,058
- <i>Employment services</i>		128,009	-	128,009	235,717
- <i>Welfare & education</i>		436,590	-	436,590	187,140
<i>Other Employment income</i>		618,665	-	618,665	456,392
<i>Contribution from trading activities:</i>					
- <i>Rehabilitation programmes</i>		-	18,319	18,319	20,314
Incoming Resources From Generated Funds:					
<i>Voluntary income</i>	4	5,000	59,402	64,402	172,469
<i>Activities for generating funds</i>	5	-	149,556	149,556	143,228
<i>Investment income:</i>					
- <i>Interest</i>		-	941	941	6,124
- <i>Dividends</i>		-	55,124	55,124	52,193
TOTAL INCOMING RESOURCES		<u>5,440,416</u>	<u>283,342</u>	<u>5,723,758</u>	<u>4,740,635</u>
RESOURCES EXPENDED					
Charitable Activities					
<i>Rehabilitation programmes</i>	6	4,475,402	-	4,475,402	3,649,226
<i>Employment services</i>	6	429,966	-	429,966	730,505
<i>Welfare and education services</i>	6	587,395	-	587,395	177,302
Cost of generating funds					
<i>Fundraising costs</i>	7	-	112,185	112,185	78,536
<i>Investment management fees</i>		-	15,712	15,712	-
		5,492,763	127,897	5,620,660	4,635,569
Governance costs	9	-	20,582	20,582	84,797
TOTAL RESOURCES EXPENDED		<u>5,492,763</u>	<u>148,479</u>	<u>5,641,242</u>	<u>4,720,366</u>
NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS		<u>(52,347)</u>	<u>134,863</u>	<u>82,516</u>	<u>20,269</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 March 2014 (Cont'd)

	Notes	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS	11	(52,347)	134,863	82,516	20,269
TRANSFER BETWEEN FUNDS	13	<u>52,347</u>	<u>(52,347)</u>	<u>-</u>	<u>-</u>
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		-	82,516	82,516	20,269
OTHER RECOGNISED GAINS AND LOSSES					
Realised gains on investments	10	-	12,133	12,133	10,257
Unrealised gain on investments	15	<u>-</u>	<u>55,216</u>	<u>55,216</u>	<u>202,048</u>
NET INCOMING RESOURCES FOR THE YEAR		-	149,865	149,865	232,574
FUNDS AT 1 APRIL 2013		<u>-</u>	<u>4,634,558</u>	<u>4,634,558</u>	<u>4,401,984</u>
FUNDS AT 31 MARCH 2014		<u><u>-</u></u>	<u><u>4,784,423</u></u>	<u><u>4,784,423</u></u>	<u><u>4,634,558</u></u>

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
(LIMITED BY GUARANTEE)

SUMMARY INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31 March 2014

	2014 £	2013 £
INCOME		
Grants & contracted funding	4,816,751	3,889,915
Fees – employment services	618,665	456,392
Contribution from trading activities	18,319	20,314
Voluntary income	64,402	172,469
Activities for generating funds	<u>149,556</u>	<u>143,228</u>
	5,667,693	4,682,318
EXPENDITURE		
Charitable activities	5,492,763	4,557,033
Cost of generating funds	127,897	78,536
Governance costs	<u>20,582</u>	<u>84,797</u>
	5,641,242	4,720,366
Operating surplus/(deficit)	26,451	(38,048)
Gain on disposal of investments	12,133	10,257
Income from fixed asset investments	55,124	52,193
Other interest receivable and similar income	<u>941</u>	<u>6,124</u>
SURPLUS FOR THE YEAR	<u><u>94,649</u></u>	<u><u>30,526</u></u>

Income and expenditure relates to continuing activities.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2014

Surplus for the year	94,649	30,526
Unrealised gains on fixed asset investments dealt with through revaluation reserve	<u>55,216</u>	<u>202,048</u>
Total recognised gains and losses for the year	<u><u>149,865</u></u>	<u><u>232,574</u></u>

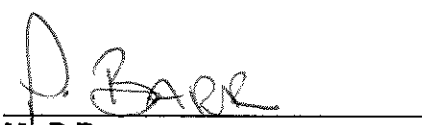
ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

BALANCE SHEET
At 31 March 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	14	2,294,769	2,381,804
Investments	15	<u>1,874,306</u>	<u>1,767,546</u>
		<u>4,169,075</u>	<u>4,149,350</u>
CURRENT ASSETS			
Stocks	16	15,021	14,964
Debtors	17	954,371	558,413
Investments – term deposits		-	305,867
Cash at bank and in hand		<u>660,078</u>	<u>550,231</u>
		1,629,470	1,429,475
CREDITORS: Amounts falling due within one year	18	<u>(1,014,122)</u>	<u>(944,267)</u>
NET CURRENT ASSETS		<u>615,348</u>	<u>485,208</u>
NET ASSETS		<u>4,784,423</u>	<u>4,634,558</u>
CAPITAL AND RESERVES			
Unrestricted funds:			
General fund	21	608,995	490,709
Revaluation reserve	20	250,184	218,627
Designated funds	21	<u>3,925,244</u>	<u>3,925,222</u>
		<u>4,784,423</u>	<u>4,634,558</u>

The financial statements on pages 11 to 29 were approved and authorised for issue by the Board of Directors on 12 June 2014 and were signed on its behalf by:


Mr H W R Kohner
Director and Chairman


Mr P Barr
Director and Honorary Treasurer

Company Registration Number – NI005568

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

CASHFLOW STATEMENT
For the Year Ended 31 March 2014

	2014 £	2013 £
NET CASH OUTFLOW FROM CONTINUING OPERATING ACTIVITIES	<u>(82,492)</u>	<u>(970,759)</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	941	6,124
Dividends	<u>55,124</u>	<u>52,193</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	<u>56,065</u>	<u>58,317</u>
CAPITAL EXPENDITURE & FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(130,181)	(152,421)
Purchase of fixed asset investments	(288,609)	(140,081)
Receipts from sale of fixed assets	-	2,970
Receipts from sale of fixed asset investments	241,226	78,081
Decrease in cash in portfolio	<u>7,971</u>	<u>23,338</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE & FINANCIAL INVESTMENT	<u>(169,593)</u>	<u>(188,113)</u>
DECREASE IN CASH	<u>(196,020)</u>	<u>(1,100,555)</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE CASHFLOW STATEMENT
For the Year Ended 31 March 2014

**1. RECONCILIATION OF OPERATING SURPLUS (DEFICIT)
TO NET CASHFLOW FROM OPERATING ACTIVITIES**

	2014 £	2013 £
Net incoming resources before other recognised gains and losses	82,516	20,269
Interest received	(941)	(6,124)
Dividends received	(55,124)	(52,193)
Profit on disposal of fixed assets	-	(2,970)
Depreciation	217,216	196,483
Increase in stocks	(56)	(982)
(Increase)decrease in debtors	(395,958)	2,709
(Decrease)/increase in creditors	<u>69,855</u>	<u>(1,127,951)</u>
Net cash outflow from operating activities	<u>(82,492)</u>	<u>(970,759)</u>

**2. RECONCILIATION OF NET CASH FLOW TO
MOVEMENT IN NET FUNDS**

	2014 £	2013 £
(Decrease)/increase in cash	<u>(196,020)</u>	<u>(1,100,555)</u>
Movement in net funds in period	<u>(196,020)</u>	<u>(1,100,555)</u>
Net funds at 1 April 2013	<u>856,098</u>	<u>1,956,653</u>
Net funds at 31 March 2014	<u>660,078</u>	<u>856,098</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 April 2013 £	Cashflows £	At 31 March 2014 £
Term deposits	305,867	(305,867)	-
Cash on hand	<u>550,231</u>	<u>109,847</u>	<u>660,078</u>
Total cash	<u>856,098</u>	<u>(196,020)</u>	<u>660,078</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2014

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 charity follows the recommendations in Statement of Recommended Practice: Accounting and Reporting by Charities (Revised 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, contracted funding, income for services provided and other income are included in full in the Statement of Financial Activities when receivable.
- (d) All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. 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. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Irrecoverable VAT is treated as resources expensed in the principal activity that incurred the original VAT.

- (e) 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.
- (f) 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.
- (g) 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%
Plant and machinery	20% and 16.66%
Fixtures, fittings, tools and other equipment	20% and 33.33%
Motor vehicles	25%

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

1. ACCOUNTING POLICIES (Continued)

- (h) 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.
- (i) 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.
- (j) 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.
- (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. Realised gains and losses are the aggregate of the difference between sales proceeds and opening market value (or cost if purchased during the year). Unrealised gains and losses represent the movement in market value during the year.
- (l) As a registered charity, Action Mental Health is not liable to either Income Tax or Corporation Tax.

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.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2014

3. GRANTS AND CONTRACTED FUNDING

	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Amounts received and receivable				
<i>Rehabilitation programmes</i>				
Contracted funding –				
Health & Social Care Trusts:				
Northern	235,933	-	235,993	226,960
Southern	358,555	-	358,555	328,833
Belfast	233,566	-	233,566	221,109
South Eastern	907,955	-	907,955	247,325
Western	409,111	-	409,111	388,775
Grants –				
European Social Fund	1,921,698	-	1,921,698	1,447,385
Local Health & Soc Care Groups	20,402	-	20,402	23,430
Community Dev & Health Network	10,277	-	10,277	22,492
Impact of Alcohol Grants	45,155	-	45,155	-
The Arts Council of Northern Ireland	6,966	-	6,966	-
Big Lottery Fund	5,446	-	5,446	19,175
Antrim Borough Council	13,500	-	13,500	6,019
Western Area Acute Hospital	10,650	-	10,650	19,850
Health Promotion Agency	1,241	-	1,241	-
DHSSPS Core Grant	76,179	-	76,179	-
Building Change Trust	12,648	-	12,648	-
Belfast International Airport	10,000	-	10,000	-
North Down Borough Council	950	-	950	-
Clear Project	4,800	-	4,800	-
Sundry grants	(7)	-	(7)	793
Amounts deferred b/forward	<u>72,771</u>	-	<u>72,771</u>	<u>587,683</u>
	4,357,796	-	4,357,796	-
Amounts deferred c/forward	<u>(105,644)</u>	-	<u>(105,644)</u>	<u>(72,771)</u>
Funding utilised	<u><u>4,252,152</u></u>	<u>-</u>	<u><u>4,252,152</u></u>	<u><u>3,467,058</u></u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

3. GRANTS AND CONTRACTED FUNDING (continued)

	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Amounts received and receivable				
<i>Employment Services</i>				
Grants –				
South Eastern H&SC Trust	-	-	-	46,575
Dept. for Employ & Learning	128,009	-	128,009	89,142
Amounts deferred b/forward	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
	128,009	-	128,009	235,717
Amounts deferred c/forward	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Funding utilised	<u>128,009</u>	<u>-</u>	<u>128,009</u>	<u>235,717</u>
<i>Welfare & Education</i>				
Grants –				
Southern H&SC Trust	3,559	-	3,559	3,333
Western H&SC Trust	47,000	-	47,000	44,000
John Wilson Trust	-	-	-	23,000
PHA Protect Life	55,844	-	55,844	39,465
Big Lottery – Mens Shed	126,444	-	126,444	34,871
Big Lottery – Together for You	116,186	-	116,186	-
Interreg ERDF Funding	81,446	-	81,446	4,471
Monument Trust	-	-	-	38,000
Amounts deferred b/forward	<u>23,000</u>	<u>-</u>	<u>23,000</u>	<u>23,000</u>
	453,479	-	453,479	210,140
Amounts deferred c/forward	<u>(16,889)</u>	<u>-</u>	<u>(16,889)</u>	<u>(23,000)</u>
Funding utilised	<u>436,590</u>	<u>-</u>	<u>436,590</u>	<u>187,140</u>
Total grants and contracted funding utilised	<u>4,816,751</u>	<u>-</u>	<u>4,816,751</u>	<u>3,889,915</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2014

4. VOLUNTARY INCOME

	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Event Income	-	19,304	19,304	16,694
DHSSPS grant – admin	-	-	-	85,237
Pfizer	-	-	-	26,446
John Atcheson Foundation	-	12,000	12,000	16,000
Donations	-	15,983	15,983	9,517
Tughans	-	-	-	17,500
Methodist Church - Newtownards	-	-	-	1,075
Beatrice Lang	5,000	-	5,000	-
Allstate	-	6,295	6,295	-
Law Society	-	4,620	4,620	-
Bangor Bridge Club	-	1,200	1,200	-
	<u>5,000</u>	<u>59,402</u>	<u>64,402</u>	<u>172,469</u>

5. ACTIVITIES FOR GENERATING FUNDS

	Restricted Funds £	Unrestricted Funds £	Total Funds 2014 £	Total Funds 2013 £
Salary recovery-USEL	-	2,331	2,331	-
Administration fees	-	45,075	45,075	13,954
Rents and room hire	-	20,658	20,658	21,895
Counselling	-	560	560	840
External training fees	-	38,997	38,997	44,701
Sundry income	-	7,915	7,915	4,981
Insurance claims	-	-	-	22,202
Catering income	-	34,020	34,020	34,655
	<u>-</u>	<u>149,556</u>	<u>149,556</u>	<u>143,228</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2014

6. EXPENDITURE BY CHARITABLE ACTIVITY

Summary by activity

	Direct Costs £	Support Costs £	Total 2014 £	Total 2013 £
Rehabilitation programmes	3,888,695	586,707	4,475,402	3,649,226
Employment services	373,599	56,367	429,966	730,505
Welfare and education services	<u>510,391</u>	<u>77,004</u>	<u>587,395</u>	<u>177,302</u>
	<u>4,772,685</u>	<u>720,078</u>	<u>5,492,763</u>	<u>4,557,033</u>

7. COSTS OF GENERATING FUNDS

	Direct Costs £	Support Costs £	Total 2014 £	Total 2013 £
Fundraising costs	97,478	14,707	112,185	78,536
Investment management fees	<u>15,712</u>	<u>-</u>	<u>15,712</u>	<u>-</u>
	<u>113,190</u>	<u>14,707</u>	<u>127,897</u>	<u>78,536</u>

8. SUPPORT COSTS BY CATEGORY

	2014 £	2013 £
Support Costs		
Administration and Finance	<u>734,785</u>	<u>625,917</u>

Support costs in the current year are made up of the following:

	£
Staff costs	462,708
Office costs	23,200
Premises	5,084
Other costs	<u>243,793</u>
	<u>734,785</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2014

9. GOVERNANCE COSTS

	2014	2013
	£	£
Auditors' remuneration	5,268	13,640
Other professional fees	12,847	62,332
Board, Committee costs	1,902	5,326
AGM, Annual Report Costs	<u>565</u>	<u>3,499</u>
	<u>20,582</u>	<u>84,797</u>

10. REALISED GAINS

	2014	2013
	£	£
Gain on sale of fixed asset investments	<u>12,132</u>	<u>10,257</u>

11. NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS

	2014	2013
	£	£
This is stated after charging:		
Depreciation:		
- owned tangible fixed assets	217,216	196,483
Auditor's remuneration - audit (including projects)	5,268	13,640
- other services	-	-
Operating leases - other	<u>148,389</u>	<u>147,173</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

12. STAFF COSTS

	2014	2013
	£	£
(a) Staff costs		
Wages and salaries	3,084,088	2,648,629
Social security costs	273,647	225,257
Agency & seconded staff	84,041	92,830
Pension costs – defined contribution schemes	<u>101,036</u>	<u>85,921</u>
	<u>3,542,813</u>	<u>3,082,636</u>
(b) One staff member earned between £60,000 and £70,000 (2013 – one in same band).		
(c) No fees were paid to any director for their services as Board members. During the year, travel expenses totalling £1,142 (2013 - £877) were reimbursed to three directors (2013 – four).		
(d) Average number of persons directly employed	No.	No.
Office and management	22	24
Supervision and instruction	106	87
Support staff	<u>29</u>	<u>26</u>
	<u>157</u>	<u>137</u>

13. TRANSFERS BETWEEN FUNDS

An amount of £52,347 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.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

14. TANGIBLE FIXED ASSETS

	Land and buildings (long leasehold) £	Plant and machinery £	Motor vehicles £	Fixtures, fittings, tools & other equipment £	Total £
Cost:					
At 1 April 2013	5,388,730	218,654	71,989	22,995	5,702,368
Additions	124,665	5,516			130,181
Disposals	<u>-</u>	<u>(42,490)</u>	<u>(10,300)</u>	<u>(8,276)</u>	<u>(61,066)</u>
At 31 March 2014	<u>5,513,395</u>	<u>181,680</u>	<u>61,689</u>	<u>14,719</u>	<u>5,771,483</u>
Depreciation:					
At 1 April 2013	3,046,648	183,215	71,989	18,712	3,320,564
Charges for the year	192,218	20,812		4,186	217,216
Eliminated on disposals	<u>-</u>	<u>(42,490)</u>	<u>(10,300)</u>	<u>(8,276)</u>	<u>(61,066)</u>
At 31 March 2014	<u>3,238,867</u>	<u>161,537</u>	<u>61,689</u>	<u>14,622</u>	<u>3,476,714</u>
Net book value:					
At 31 March 2014	<u>2,274,528</u>	<u>20,143</u>	<u>-</u>	<u>97</u>	<u>2,294,769</u>
At 31 March 2013	<u>2,342,082</u>	<u>35,439</u>	<u>-</u>	<u>4,283</u>	<u>2,381,804</u>

Included in long leasehold land and buildings is land costing £116,337 (2013 - £116,337) that is not depreciated.

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

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

15. FIXED ASSET INVESTMENTS

	Quoted Investments £
As at 1 April 2013	1,767,546
Additions, at cost	288,609
Realised gain on disposal	12,132
Disposals, at valuation	(241,226)
Decrease in cash holding	(7,971)
Unrealised gain on revaluation	<u>55,216</u>
At 31 March 2014, at market value	<u>1,874,306</u>
At 31 March 2014, at historical cost	<u>1,624,122</u>

The charity's investments are managed on a discretionary basis by two independent investment brokers. None of the investments individually exceeded 5% of the total portfolio at the year end. Included in investments are cash balances of £36,948 (2013 - £44,919) held as part of the investment portfolio.

16. STOCKS

	2014 £	2013 £
Raw materials and consumables	<u>15,021</u>	<u>14,964</u>

17. DEBTORS

	2014 £	2013 £
Trade debtors	115,350	97,638
Grants due - C&E	691,742	335,887
Grants due - Other	57,988	40,177
Prepayments and accrued income	68,122	58,832
Other debtors	<u>21,169</u>	<u>25,879</u>
	<u>954,371</u>	<u>558,413</u>

18. CREDITORS: Amounts falling due within one year

	2014 £	2013 £
Trade creditors	317,594	202,471
Other taxation and social security	73,077	85,364
Deferred income	525,560	498,797
Accruals	<u>97,891</u>	<u>157,635</u>
	<u>1,014,122</u>	<u>944,267</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2014

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	-	2,294,769	2,294,769
Investments	-	1,874,306	1,874,306
Net current assets	<u>-</u>	<u>615,348</u>	<u>615,348</u>
	<u>-</u>	<u>4,784,423</u>	<u>4,784,423</u>

20. REVALUATION RESERVE

	£
At 1 April 2013	218,627
Net transfer from/(to) general fund	<u>31,557</u>
At 31 March 2014	<u>250,184</u>

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

21. OTHER UNRESTRICTED FUNDS

	General Fund £	Designated Capital Utilised Fund £	Designated Risk Reserve Fund £	Total £
Unrestricted				
At 1 April 2013	490,709	1,208,431	2,716,791	4,415,931
Incoming resources for the year	149,865	-	-	149,865
Transfer (from)/to general reserve	(103,830)	-	103,830	-
Transfer (to)/from revaluation reserve	(31,557)	-	-	(31,557)
Transfer re capital grants	<u>103,808</u>	<u>(103,808)</u>	<u>-</u>	<u>-</u>
At 31 March 2014	<u>608,995</u>	<u>1,104,623</u>	<u>2,820,621</u>	<u>4,534,239</u>

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

21. OTHER UNRESTRICTED FUNDS (Continued)

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 budgeted expenditure (excluding exceptional items) which the Board feel is prudent to set aside in line with the charity's risk and reserve policies.

22. TAXATION

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

23. CONTINGENT LIABILITIES

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

24. CONDUIT FUNDING

AMH acts as lead partner in respect of the Big Lottery Funded Together For You project. The Together For You project is aimed at delivering mental health and wellbeing services to a range of people across Northern Ireland. The Together for You partners include AMH, Aware Defeat Depression, CAUSE, CRUSE, MindWise, Nexus, PraxisCare and Relate NI.

AMH also acts as lead partner in the Northern and Southern regions within the Supported Employment Solutions (SES) consortium. SES is contracted to deliver the DEL Work Connect and Workable NI programmes across Northern Ireland. The SES partnership includes AMH, Cedar, Mencap, Orchardville, NOW, RNIB and Action on Hearing Loss.

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

	Together For You	SES
	£	£
Trade debtors	57,466	44,000
Cash at bank	54,344	-
Creditors	<u>(111,810)</u>	<u>(44,000)</u>

In accordance with SORP 2005 these balances have not been included in the Balance Sheet.

ACTION MENTAL HEALTH
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended 31 March 2014

25. RELATED PARTY TRANSACTIONS

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

26. OPERATING LEASE COMMITMENTS

At 31 March 2014 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and Buildings	
	2014	2013
	£	£
Expiry date:		
Within 1 year	-	12,089
Between 2 and 5 years	80,487	68,487
After more than 5 years	<u>56,668</u>	<u>66,597</u>