Health in Mind

Report and Financial Statements For

the year ended 31 March 2022

Charity number: SC004128
Company number: SC124090

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For the year ended 31 March 2022

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Charity name	Health in Mind	
Charity registration number	SC004128	
Company registration number	SC124090	
Trustees	Christina Naismith	Chair
	Be Morris	Vice Chair
	Morag Anderson	Resigned 6 December 2021
	Alan Burnett	Resigned 10 February 2022
	Federica Cinosi	Appointed 18 July 2022
	Kate Clement	Resigned 6 December 2021
	Gwen Davidson	Resigned 10 August 2021
	Jennifer Donnelly	Appointed 13 September 2021
	Jeneen Gill-Graham	
	Karen Gray	Appointed 2 August 2022
	Barry Johnstone	Appointed 13 September 2021
	James Jopling	
	Erica Moore	Appointed 18 July 2022
	Barbara Osborne	
	Hazel Robertson	
	Alice Tucker	Appointed 21 July 2022
	Brian Young	Appointed 13 September 2021
Company secretary	Wendy Bates	
Senior management	Wendy Bates	Chief Executive
	Martin Oxley	Depute Chief Executive
Principal and registered office	40 Shandwick Place Edinburgh EH2 4RT	
Auditor	Chiene + Tait LLP 61 Dublin Street Edinburgh EH3 6NL	
Bankers	Bank of Scotland 20-22 Shandwick Place Edinburgh EH2 4RN	Flagstone Group Ltd Clareville House 26-27 Oxendon Street London, SW1Y 4EL
Solicitors	Balfour & Manson 54-66 Frederick Street Edinburgh EH2 1LS	Just Employment Law City View 6 Eagle Street Glasgow, G4 9XA

Trustees' report
For the year ended 31 March 2022

The Trustees have pleasure in presenting their report and the financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Standard applicable in the UK and Republic of Ireland (FRS 102).

Trustees
The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees serving during the year and since the year end are detailed on page 1.

Structure, Governance and Management

Governing document
The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association, last amended November 2020. The Trustees are the members of the Charity and their liability is limited to £1 each.

Appointment of Trustees
New Trustees are appointed by the members of the company. All Trustees attend a full induction and receive a copy of Health in Mind Governance Manual, which is updated regularly. Trustees are encouraged to attend events organised by Health in Mind.

Organisational structure
Health in Mind is managed by a Board of Directors. The Directors are the Trustees of the charity and the day to day management is delegated to the Chief Executive.

Remuneration of key management personnel
The Trustees have delegated the review of the remuneration of the Chief Executive and Depute Chief Executive to the People Committee in consultation with the Finance Committee. Under the Scheme of Delegation, salary and reward packages for key management personnel will be reviewed at least every three years, with the Committee making recommendations on this as necessary to the Board.

The Chief Executive and Depute Chief Executive attend all People Committee meetings but withdraw from those meetings where their own remuneration is discussed.

In setting Executive staff remuneration levels, the People Committee and the Board have regard to published data about pay in organisations that employ individuals with similar skills, competencies and qualifications. Health in Mind generally expects to pay at a level comparable to that in the not-for-profit and charity sectors. Our overall approach to Executive remuneration is based on the key principles of fairness, competitiveness and sustainability.

Risk management
The Board have assessed the major risks to which the charity is exposed, those related to the operations and finances of the charity. The Board ensures that suitable systems, processes, and procedures are put into place to control and support the main activities of the charity.

The Board Risk and Compliance Committee ensures that Trustees are supported to fulfil their duties as laid out by the Office of Scottish Charity Regulator (OSCR) in terms of risk and policy matters, including monitoring and ensuring compliance with any laws and regulations, which covers returns to OSCR and Companies House. The objectives of the committee are to:

- maintain an overview of the Health in Mind policy and procedures, ensure that the organisation's policy and procedures are applied in keeping with legislation and regulation;
- review the full risk register and recommend its approval to the Board at least once a year;
- receive regular reports from the Executive providing information on risks faced by Health in Mind;

The Finance Committee continues to meet to ensure financial scrutiny and have oversight of finance related risks.

The People Committee considers and oversee Health in Mind People Strategy, people related risks, reviews and recommends remuneration and terms and conditions for staff and leads the process of succession planning, recruitment and recommendation of Board Directors.

In addition to the routine review of all in year risks through the Committee structure, new and emerging risks are a standing item on the agendas of each meeting of the Board and all Committees.

An annual Risk Assessment identifies the key risks, assesses their probability and any likely impact, and outlines the actions which will be put into place to militate against and minimise risk. A risk heat map has been developed to give a snapshot picture of organisational risks. Once approved, the risk register is reviewed on at least a quarterly basis.

The Trustees consider the most significant strategic risks to the organisation to be those arising from external changes relating to the statutory bodies with whom we contract, which may have a negative impact on our service delivery, development, or income, specifically:

- Ongoing COVID-19 impact, including on income generation and statutory funding levels;
- Adverse impact of changes in local and national policy, strategy funding and commissioning. Competition from other organisations.
- Cyber security risk.

These risks are being addressed through a range of factors including:

- Implementation of A Secure Base, Health in Mind strategy for 2020-2023;
- Development of current and new income streams;
- Close involvement with locality networks and groups;
- Continuing focus on measuring and monitoring outcomes and impact;
- Planning for different scenarios in a range of potential negative situations;
- Ensuring that relevant quality standards are in place and evidence is available, which demonstrates that outcomes are being achieved;
- Cyber Essentials accreditation;
- Comprehensive strategic development process for our strategic plan from 2023.

COVID-19

Governance: Board and Committee meetings took place via video conferencing. A comprehensive Scheme of Delegation was developed to inform work of the Board, Committees and Executive.

Financial Controls: Additional financial controls introduced in 2020 in response to COVID-19 were continued/ refined.

Operations: Full risk assessments were undertaken for staff, volunteers, people using our services as well as our buildings and activities. Business Continuity Plans were updated and tested. Flexible working and support continued. This included working from home, office and the community. We continued our COVID-19 Crisis to Recovery Plan which outlined practice including a route map for delivery at each of the Scottish Government Protection Levels. This was replaced by Living Safely with COVID-19 Guidance in May 2022.

Staff Wellbeing continues to be supported through increase individual support, team meetings as well as through the continuation of a Staff Wellbeing Group and access to the National Wellbeing Hub as well as our own Employee Assistance Programme.

Objectives and activities

Health in Mind's Objects, as defined in its Memorandum of Association, are:

- The advancement of health;
- The advancement of education;
- The relief of those in need by reason of ill health, disability or other disadvantage.

These are further defined in its purpose, vision, mission, and values as below.

Our Purpose

We strive for people in Scotland to live in a supportive and resilient community where mental health is understood, and people lead fulfilling lives.

Our Vision

We work together to positively impact people's mental health and wellbeing. We create awareness and understanding of mental health and wellbeing within communities.

Our Mission
We work together to deliver trauma support and training, counselling and talking therapies, and early intervention community-based support.

Our Values are:
- Compassion
- Integrity
- Respect
- Inclusion
- Realising Potential

Our Approach is:
- Person Centred
- Trauma Informed
- Strengths based

We believe everyone has the right to access high quality mental health support. We believe in:
- Working with Communities
- Positive and Hopeful Communication and Outlook
- Collaborating and Co-producing
- Creativity
- Being Reflective

Overview of activities
Health in Mind delivers a range of mental health and wellbeing services and activities to meet its vision and mission. In 2021/22, we offered support in the following ways:

- Trauma support and training
- Counselling and talking therapies
- Early intervention and community-based support

We work both locally in Edinburgh, Lothians, Scottish Borders and nationally across Scotland.

This has been a time like no other we have experienced as an organisation, and as a population. Our team built on learning in 2021/22 to further adapt and develop the support we offer, ensuring people continued to receive the right support at the right time.

Health in Mind's achievements and ability to adapt and develop new ways of supporting people are a testament to our staff and volunteer team's skills, experience, innovation, hard work, and creativity.

In 2021/22, the Health in Mind team supported 4,041 people, Future Pathways supported 1,345 people and a further 106,826 users accessed our Information Websites across Edinburgh and the Lothians.

In addition, Health in Mind staff worked as part of multidisciplinary teams to provide support through Midlothian Access Point (number of people supported included below) and the North West Thrive Welcome Team in Edinburgh (number of people supported not included below).

	Number of People Supported/ Reached
Services	
Trauma support and training	
Trauma Support	73
Trauma Training	383
Future Pathways (Scotland wide)	1,345
Counselling and talking therapies	
Counselling Services	258
Wellbeing Therapies and training (self-pay) (formally Resolve)	97
Early intervention and community-based support	
Scottish Borders	456
Midlothian	680
Edinburgh	1,950
West Lothian	144
Information websites (Edinburgh, East Lothian, West Lothian and Midlothian) * 'users' are defined as the number of new and returning people who visited our website from 1 April 2021 – 31 March 2022.	Edinburgh: 57,786 users* Midlothian: 17,232 users* West Lothian: 15,287 users East Lothian: 16,521 users*
Volunteering	180
Engagement	
Social Media Followers	+5% Facebook +10% Twitter +17% Instagram
Health in Mind Website	47,501 users
Supporters and Events	
Number of supporters	232
Number of individuals/ groups who took part in challenge events	71
Active corporate partnerships	9

Performance - measuring our impact

Services measure the impact of support using a range of evaluation tools, including CORE (Clinical Outcomes in Routine Evaluation) and IROC (Individual Recovery Outcomes Counter).

In addition, we ask people receiving support to complete a satisfaction survey letting us know how we are doing as an organisation.

- 80% of respondents agreed or strongly agreed that have a better understanding of their mental health and wellbeing.

- 96% of respondents agreed or strongly agreed that they were supported with compassion and care.
- 99% of respondents agreed or strongly agreed that they were treated with respect and their views were heard.

> 'The key thing I will take from my experience is that I was listened to and understood…'

> 'The worker was excellent and most supportive. My issues were very complex and multi-faceted, and she treated me with patience and understanding helping me to build trust and confidence.'

> 'I know my past will always be with me, I know now it doesn't help to block it, but I have to learn to live and grow from it. I've worked with people in the past who don't want to know my problems. But you were happy to hear the uncomfortable stuff and address the underlying issues that affect how I am now. You don't shy away from it, and it made me more comfortable being honest. Working with the worker has been a lot better than other people I've worked with in the past. You've helped me achieve a lot and helped me to put myself first and to stop being so hard on myself so thank you.'

Overview of Key Achievements

Our work focused on the priorities outlined in our 2020-23 strategy and mitigating the risk areas identified by our Board of Trustees.

1. Living with COVID-19

Health in Mind staff continued to work flexibly and with agility to ensure minimal disruption to service provision and volunteer support as we lived with COVID-19.

We continued to offer support in person, remotely by telephone and video link and on a hybrid basis.

Our COVID-19 Crisis to Recovery plan and laterally our Living Safely with COVID plans ensured our approach adhered to Public Health and Scottish Government guidance and requirements.

Board and Committee meetings continued to take place via video conferencing throughout 2021/22.

2. A Secure Base: Health in Mind Strategy 2020–23

Our three strategic goals for 2020–23 are:

- Strong foundations: strengthening our infrastructure and ways of working
- Service and organisational growth and sustainability
- Governance and organisational development

Each year detailed action plans are developed to support our strategic goals and progress towards these goals is reviewed by the Board on a quarterly basis.

3. Trauma Support and Training

- We extended the range of support for people who are survivors of childhood trauma though introducing group support in addition to our individual support offer.
- Our trauma training was further developed and was attended by almost 400 people and feedback continued to be extremely positive.
- Health in Mind is a proud partner of the Scottish Government funded In Care Survivor Alliance together with Penumbra, and Glasgow City Health and Social Care Partnership. The Alliance continued to provide Future Pathways throughout 2021/22, and in January 2022 a new Redress Support Service was established.
- Future Pathways supports people who were abused or neglected as children while they were living in care in Scotland. Since September 2016, Future Pathways has supported 2,070 people. Support is tailored to individuals and offers a broad spectrum of support ranging from prevention and self-management to more intensive support.
- Since the end of January 2022, 253 people have been referred to the Redress Support Service.

4. Counselling and Talking Therapies

- We offer a range of counselling, including for people who experienced trauma in childhood, people who are D/deaf, deafened and hard of hearing, and those seeking shorter-term listening support.
- We continued to offer paid for Counselling, Safeguarding and Training.

5. Early intervention and community-based support

- We continue to offer a range of early intervention and community-based support including, but not limited to: Art Psychotherapy, peer support and connecting, suicide prevention, support for people from Black and minority ethnic communities, social prescribing.
- Our new contracts began in Midlothian in July 2021.
- We reviewed and developed our support offer in the Scottish Borders to improve the pathway of support for people accessing services.
- We grew our services in East Lothian, Scottish Borders and Midlothian.
- We relaunched our information websites in Mid, East and West Lothian.
- We enhanced our peer support offer throughout the organisation and continued to offer the SQA Professional Development Award (PDA) in Mental Health Peer Support.

6. Volunteering

- Health in Mind supported 180 volunteers in 2021/22.
- For the second year in a row 100% of respondents to our annual satisfaction survey said they are satisfied with their volunteering experience with Health in Mind.

> 'My supervisor is really fantastic. She really listens to us, scheduling regular team meetings, trainings and supervisions. She is totally committed to continually improving the services we offer which I love. My team are extremely supportive and reflective, I feel so lucky to be part of such a brilliant team.'

'I've felt extremely supported and have been grateful for all the opportunities to connect with other volunteers and Undertake training.'	'Health in Mind's approach to adapting the … service during the pandemic was extremely well-managed and I was grateful for all the opportunities to engage with the service digitally.'

7. **Core organisational functions**

Communications

- Health in Mind social media grew across all platforms. We continued to share up to date information and create a range of online mental health and wellbeing materials freely available online.

Fundraising

- Health in Mind Fundraising activity focuses on raising income to support service delivery and development.
- We continued to offer several virtual fundraising events and our in-person fundraising began again.

People

- In total, 14 staff received a long service award in 2021/22. Our long service awards celebrate staff with over five years' service with Health in Mind. One member of staff received an award for 25 years service and a further two staff received an award for 20 years service.

Priorities for 2022/23

1. **Celebrating 40 years of support**
   Health in Mind celebrates our 40th birthday in 2022, a series of events is planned to mark the contribution our organisation has made to the communities in which we work.

2. **Living with COVID**
   We expect the lasting impact of COVID-19 to continue into 2022/23. This includes an increase in demand for our services due to the significant mental health and wellbeing impact arising from the pandemic and associated restrictions.

   We will continue to develop new ways of working ensuring the safety of people using our services, our staff, and volunteers is paramount.

   Delivery models will remain agile, responding to the external environment whilst providing person centred, trauma informed, strengths based mental health and wellbeing support.

3. **A Secure Base Health in Mind Strategy 2020–23: The focus and delivery of our strategic directions**
   Our key strategic focus in 2022/23 will be:

   - Continue to review our organisational structure;
   - Embedding new ways of working;
   - Continuing our organisational sustainability focus through developing our strategy for 2023 onwards.

   We have adopted a robust strategy development programme which will continue throughout 2022. This will include reviewing learning from our current strategy, gathering information from stakeholders and examining the external environment. Our people will be at the heart of this process through a programme of engagement.

4. **Trauma Support and Training**
   - Address the waiting times for people accessing Future Pathways, continuing to extend in person work across the service.
   - Further develop our Trauma Training offer, sharing our learning and expertise on trauma informed practice.

5. **Counselling and Talking Therapies**
   - Establish new Counselling management roles to enable increasing need and demand to be met.
   - Ensure effective delivery of existing contracts and develop new business.
   - Review our service delivery model to ensure we can reach as many people as possible.

6. **Early intervention and community-based support**
   - Embed the new community-based delivery model in the Scottish Borders.
   - Work in partnership with local stakeholders to broaden the range and scope of our impact and offer.
   - Continue to work to understand the needs of the communities we serve.

7. **Volunteering**
   - We will develop how we involve volunteers in Health in Mind, ensuring that volunteers are fully involved in our strategy development and beyond.

Financial Review

Income for the year ended 31 March 2022 increased by 3.3% to £6,318,093 while expenditure rose by 8.2% to £6,312,095.

During the year we successfully achieved funding for a new iThrive staff site and development of Westspace site to include Children and Young People. We were also awarded funding for Midlothian Community Mental Health and Wellbeing Services, including Access Point Midlothian, with the new contract commencing in July 2021. Costs of restructuring Midlothian services were slightly under the £143,000 forecast at £136,745.

We also secured additional funding from the Scottish Government to establish a Redress Support Service in January 2022 through the existing In Care Survivor Alliance Agreement. This funding is in addition to an increase in In Care Alliance Future Pathways funding from £3,479,712 to £3,594,536 in the year.

Our 'other' earned income increased by 28.9%, reflecting the growth of Future Pathways, off-set by the continued impact of COVID-19 and associated restrictions on our income generating training and counselling activities during the year. While income from donations and fundraising activities appears to have decreased by 15%, 2021 included a restricted donation of £30,000 to purchase IT equipment. If removed for comparison purposes, income from donations and fundraising activities has risen by 8%.

A surplus of £86,452 (2021: £298,540) was made after taking the defined benefit pension scheme actuarial gain of £81,000 at 31 March 2022 into account (2021: £16,000). As was the case in 2021, this largely reflects the impact of COVID-19 restrictions on certain charitable activity costs, such as project activity costs and staff travel, as well as premises costs.

Health in Mind's unrestricted reserves have increased to £851,968 (2021: £733,299) in the year.

Designated reserves have decreased to £146,448 (2021: £179,052), with work continuing on the replacement and decommissioning our organisational database. An additional £20,000 was transferred to the Carista replacement fund in the year, with the project now expected to be complete in the first half of 2022/23.

An additional £15,000 was transferred to the VoIP implementation fund, for the replacement of our current telephone system, with the project delayed until 2022/23. The Midlothian relocation fund was closed following the successful relocation of Midlothian services from the Orchard Centre to Hardengreen, Dalkeith, with £17,379 released to unrestricted funds.

There has been no movement in the office refurbishment or service user activity funds, leaving £41,450 and £9,838 in the designated reserves respectively.

The restricted reserves balance at the year end is £114,816 (2021: £114,429). Again, this reflects the reduction in certain charitable activity costs arising from the continued impact of COVID-19 and the way in which services were delivered in 2021/22.

Principal Funding Sources

Our services are largely funded by service level agreements and contracts with the City of Edinburgh Council (Services for Communities, Health and Social Care), NHS Lothian, Midlothian Council, Scottish Government (In Care Alliance activity), Scottish Borders Council and West Lothian Council.

Reserves Policy
Funding received for specific activities and the related costs are recognised in restricted funds. When restricted funding ceases the Trustees consider whether to cease carrying on these activities or to continue funding the activity from unrestricted funds.

The reserves policy has been updated and approved by the Board in 2022. The Policy is kept under regular review and target levels are adjusted as assessment of risk and other factors develop or change.

The current free unrestricted reserves range approved by the Trustees is £585,000-£644,000. This is reviewed each year to take into account any relevant changes in risk factors and strategic plans.

The reserves range recognises the current risk, particularly around our income streams, as well as the uncertainty in the wider economic environment, including the ongoing impact of COVID-19. Key areas of consideration by the Trustees in determining reserve levels include the financial impact of risk and the required levels of working capital.

Free unrestricted funds at 31 March 2022 amount to £777,939 however this includes £7,351 set aside to meet our pension deficit funding obligation as per note 28. This represents five months' cover of general fund expenditure, applying the same financial impact of risk approach. This is above the target range, mainly due to the unrestricted surpluses generated in 2020/21 not being required to fund the Midlothian services restructure costs in 2021/22 as originally envisaged.

The 2022/23 budget plans for an unrestricted deficit of £62,000, however this includes £76,000 of planned expenditure to be met from unrestricted surpluses brought forward. This includes investment in our cyber security and IT infrastructure, strategy development and redevelopment of our website. Consequently, our cashflow forecasts project a net cash outflow position when combined with designated fund projects circa £95,000. The Trustees anticipate free unrestricted reserves to return to pre-pandemic levels by the end of 2022/23.

Investment Policy
The investment policy has been updated and approved by the Board in 2022. The Policy is reviewed at least annually in tandem with the Reserves Policy, to ensure it continues to reflect the purpose, strategy and objectives of the organisation.

With the exception of an investment acquired as a result of a demutualisation, funds not required immediately are held in interest bearing deposit accounts and diversified across multiple banks via the CAF Charity Deposit Platform. The objective is to optimise returns within an acceptable level of risk. The changing funding climate has not encouraged the Trustees to make long term investments which might earn a better return but they intend to keep the policy under review.

Going Concern

The Trustees have considered the protracted impact of COVID-19 on the ability of Health in Mind to continue as a going concern for a period of at least 12 months from the date of signing the financial statements.

The most significant areas of financial uncertainty are:

- Fundraising – subdued events and community fundraising environment expected to continue into 2022/23, with pre-pandemic levels unlikely to be met. Income from individuals will likely decline due to pressure on household finances and rising inflation.
- Statutory funding – our services are largely funded by service level agreements and contracts with local authorities, NHS Lothian and the Scottish Government. While approximately 82% of agreements extend beyond 12 months from the date of signing, a few contracts are due for renewal during this period. In addition, the ongoing impact of COVID-19 and rising inflation on the budgets of funders, is likely to impact future agreements, although this cannot be quantified at this time.
- Rising inflation – as well as the impact on income generation and fundraising, rising operational costs are unlikely to be met by commensurate uplifts in existing funding. Staff retention rates may be adversely impacted.

The 2022/23 budget continues to recognise the financial impact of COVID-19 and this was approved at the Board meeting of 27 June 2022.

In addition to this, we have performed reverse stress testing forecasts for the 21 months to December 2023, reflecting the above risks. Our worst-case scenario assumes that certain existing contract, up for renewal within the period, are not extended; fundraising and income generation are flat at 2021/22 levels; and high inflation persists. The forecast also assumes that no mitigating actions, such as reducing overheads are taken.

In this scenario, overall income is expected to rise by 2.4% and expenditure by 1.8% in the nine months to 31 December 2023, primarily driven by In Care Alliance Future Pathways funding. Overall, the worst-case scenario forecasts a deficit representing 30.2% of free reserves held as at 31 March 2022.

At the year end, we have a strong and liquid balance sheet, with free reserves of £777,939. Our analysis and cashflow forecasts show that even in the worst-case scenario forecasted, we would have sufficient cash reserves held in instant access accounts, without further measures put in place to support the charity until at least 31 December 2023. Accordingly, the Trustees are satisfied that the charity will continue to function as a going concern for the foreseeable future and certainly for a least 12 months from the date of signing the financial statements.

Statement of Trustees' Responsibilities

The Trustees are responsible 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) including FRS102: the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Provision of Information to the Auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant information of which the charitable company's auditor is unaware; and
- that trustee has taken all steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the Trustees on 12 September 2022 and signed on their behalf by

Christina Naismith
Chair

Independent Auditor's Report to the Trustees of Health in Mind

Opinion on financial statements

We have audited the financial statements of Health in Mind (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2022, 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 related to going concern

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

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

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

Independent Auditor's Report to the Trustees of Health in Mind (continued)

Other information
The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 Trustees' Report.

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

- adequate and proper 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Independent Auditor's Report to the Trustees of Health in Mind (continued)

Responsibilities of Trustees
As explained more fully in the statement of Trustees' responsibilities set out on page 14 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Companies Act 2006 and Health and Safety Regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

Independent Auditor's Report to the Trustees of Health in Mind (continued)

Auditor's responsibilities for the audit of the financial statements (Continued)
We focused on laws and regulations that could give rise to a material misstatement in the company's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of key management personnel and the Trustees;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Malcolm R Beveridge

Malcolm Beveridge CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh, EH3 6NL

22 September 2022

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Health in Mind

Statement of financial activities
(Incorporating income and expenditure account)
for the year ended 31 March 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2022 Total £	2021 Total £
Income and endowments from:						
Donations and legacies	3	67,113	-	3,891	71,004	104,235
Charitable activities	4	1,013,773	-	5,184,266	6,198,039	5,973,922
Other trading activities	5	48,603	-	-	48,603	36,514
Investment income	6	447	-	-	447	22
Total income		1,129,936	-	5,188,157	6,318,093	6,114,693
Expenditure on:						
Raising funds	7	(117,765)	-	-	(117,765)	(133,268)
Charitable activities	8	(883,914)	(50,225)	(5,260,191)	(6,194,330)	(5,700,219)
Total expenditure		(1,001,679)	(50,225)	(5,260,191)	(6,312,095)	(5,833,487)
Net income/(expenditure) before gains and losses on investments	9	128,257	(50,225)	(72,034)	5,998	281,206
(Loss)/gain on investment assets	17	(546)	-	-	(546)	1,334
Net income/(expenditure) before transfers		127,711	(50,225)	(72,034)	5,452	282,540
Gross transfers between funds	22,23,24	(9,042)	17,621	(8,579)	-	-
Other recognised gains						
Actuarial gains on defined benefit pension schemes	27	-	-	81,000	81,000	16,000
Net income and net movement in funds		118,669	(32,604)	387	86,452	298,540
Reconciliation of funds						
Total funds brought forward		733,299	179,052	114,429	1,026,780	728,240
Total funds carried forward	22,23,24	851,968	146,448	114,816	1,113,232	1,026,780

The notes on pages 23 to 45 form an integral part of these financial statements.

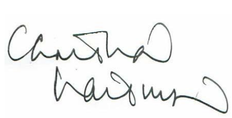
Health in Mind

Balance sheet
as at 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	16		97,645		77,949
Investments	17		2,154		2,700
			99,799		80,649
Current assets					
Debtors	18	396,621		241,847	
Cash at bank and in hand		2,343,289		1,789,363	
		2,739,910		2,031,210	
Creditors: amounts falling due within one year	19	(1,722,537)		(1,060,740)	
Net current assets			1,017,373		970,470
Total assets less current liabilities			1,117,172		1,051,119
Creditors: amounts falling due after more than one year	20		(3,940)		(24,339)
Net assets			1,113,232		1,026,780
Funds					
Unrestricted funds	22		859,319		762,761
Pension fund	22,28		(7,351)		(29,462)
Designated funds	23		146,448		179,052
Restricted funds	24		114,816		114,429
			1,113,232		1,026,780

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the Board on 12 September 2022 and signed on its behalf by



Christina Naismith
Trustee

Company number: SC124090

The notes on pages 23 to 45 form an integral part of these financial statements.

Health in Mind

Statement of Cash Flows
for the year ended 31 March 2022

	2022 £	2021 £
Net income for the reporting year (as per the Statement of Financial Activities)	5,452	282,540
Adjustments for:		
Depreciation charges	34,802	30,608
Discount unwind in pension liabilities	-	-
FRS102 pension adjustment	81,000	16,000
Losses on disposal of fixed assets	1,554	-
Losses/(gains) on investments	546	(1,334)
Dividends and interest from investments	(447)	(22)
(Increase) in debtors	(154,774)	(34,381)
Increase in creditors	641,398	307,631
Net cash provided by/(used in) operating activities	609,531	601,042
Cash flows from investing activities		
Dividends and interest from investments	447	22
Purchase of equipment	(56,052)	(44,025)
Net cash used by investing activities	(55,605)	(44,003)
Change in cash and cash equivalents in the reporting period	553,926	557,039
Cash and cash equivalents at the beginning of the reporting period	1,789,363	1,232,324
Cash and cash equivalents at the end of the reporting period	2,343,289	1,789,363
Analysis of cash and cash equivalents		
Cash in hand	2,343,289	1,789,363
	2,343,289	1,789,363

The notes on pages 23 to 45 form an integral part of these financial statements.

1 Accounting policies

Health in Mind is a private company, number SC124090, limited by guarantee, registered in Scotland, UK and also a registered Scottish charity. The principal office and registered office are disclosed on page 1. The activities are set out in the Trustees' Report.

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities and Trustee Investment Act (Scotland) 2005 and the Companies Act 2006.

The financial statements have been prepared on a going concern basis. The Trustees have reviewed the charity's financial position, including the ongoing impact of COVID-19 on operations, staffing, finance and strategic management. Reverse stress testing cashflow forecasts were performed for the 21 months to December 2023. During that period approximately 82% of grant and service income is secured for at least 21 months. Our worst-case scenario therefore assumes that certain SLAs up for renewal in that time period, will not be renewed. Income from fundraising and income generation is flat, while high inflation persists. The forecast also assumes that no mitigating actions, such as reducing overheads are taken.

In this worst-case scenario, overall income and expenditure are expected to increase by 2.4% and 1.8% respectively, in the nine months to 31 December 2023, resulting in a forecast deficit representing 30.2% of free reserves held as at 31 March 2022 of £777,939.

On the basis of these forecasts and the charity's strong and liquid reserve position, the Trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements. For more information on the use of the going concern basis, please see page 13 of the Trustees' Report.

Health in Mind constitutes a public benefit entity as defined by FRS102.

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (see note 2).

The functional currency is GBP and these financial statements are rounded to the nearest £1.

1.2 Income

Income including donations, legacies and grants that provide core funding or are of a general nature is recognised where there is entitlement, it is probable that the income will be received and the amount can be measured with sufficient reliability. Such income is deferred only when the donor specifies that the grant or donation must only be used in future accounting periods, or when the donor has imposed conditions which must be met before the charity has unconditional entitlement. The value of services provided by volunteers has not been included in voluntary income.

Income from investments is included in the year in which it is receivable.

The value of services provided by volunteers has not been included.

1.2 Income (continued)

Income from charitable activities includes income received under contract to deliver services or where entitlement to grant funding is subject to specific conditions and is recognised as earned as the related services are provided or the grant conditions fulfilled.

Grants received from the Scottish Government and income received from local government and NHS Trusts in respect of contracts for the delivery of services are accounted for as described above.

1.3 Expenditure

Expenditure is recognised in the year in which it is incurred.

Costs of raising funds are those incurred in seeking voluntary contributions and do not include the costs of providing and disseminating information in support of the charitable activities.

Support costs are those expended directly in support of the objects of the charity and include project management. They are allocated to activities in relation to the staff numbers and the actual costs of overheads incurred by each activity.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost. Fixed assets (excluding investments) are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer and office equipment and office furniture - 20% straight line

1.5 Investments

Fixed asset investments are stated at bid market value.

1.6 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash on deposit where funds can be accessed without penalty within three months or less from the opening of the account.

1.7 Pensions

(a) Defined Contribution Schemes

The pension costs charged in the financial statements represent the contributions payable by the charity during the year.

(b) Defined Benefit Schemes

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA. Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

1.7 Pensions (continued)

The change in value of assets and liabilities arising from the asset valuation, actuarial assumptions or the change in the level of deficit attributable to members is recognised in the financial statements within actuarial gains/(losses) on defined benefit pension schemes. The resulting defined benefit asset or liability is presented separately on the face of the balance sheet. The charity recognises an asset for its defined benefit scheme to the extent that it is considered recoverable through reduced future contributions or through refunds from the scheme.

Further details regarding the scheme are disclosed in note 27.

The Scottish Voluntary Sector Pension Scheme, which has been closed to further contribution since 31 March 2010 is not able to provide similar information on individual employers and disclosures on that scheme are given at note 28. The charity has agreed to a deficit funding arrangement and recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement and is calculated using a discount rate of 2.30% (2021: 0.86%). The unwinding of the discount rate is recognised as a finance cost.

1.8 Financial Instruments

Financial assets and financial liabilities are recognised when Health in Mind becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). Health in Mind has only financial assets and 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. Trade and other debtors are recognised at the settlement amount due. Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer and the amount due to settle the obligation can be measured or estimated reliably. Creditors due within one year are recognised at the settlement amount and creditors due in more than one year are recognised at fair value.

2 Accounting estimates and judgements

In preparing the financial statements the Trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cashflows. Accounting policies are shown at Note 1 to the financial statements.

Actuarial assumptions in respect of defined benefit pension schemes

The application of actuarial assumptions relating to the defined benefit pension scheme is incorporated in the financial statements in accordance with FRS102. In applying FRS102 advice is taken from professional actuaries. In this context significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates. The assumptions used are disclosed in note 27 and are within the normal range apart from the assumption used for the expected rate of salary increase. The Trustees consider that a salary increase rate of 1.8% is appropriate as the scheme is closed to new members and the remaining members still employed by Health in Mind are all at the top of the relevant salary scale and aged fifty and over. The Trustees deem it unlikely that the charity’s level of resources will increase sufficiently over the next ten years to allow a greater level of salary increase. This assumption will be reconsidered each year.

2 Accounting estimates and judgements (continued)

Pension scheme contingent liability

As explained in note 29, a contingent liability would arise in the event of Health in Mind's withdrawal from the Scottish Voluntary Sector Pension Scheme operated by the Pensions Trust. The independent actuaries advising the Pensions Trust in respect of the contingent withdrawal liability exercise significant judgement in determining the amount of that liability. Judgement is exercised in a number of areas, including future changes in inflation, mortality rates and selection of appropriate discount rates.

3 Donations and legacies

	2022 £	2021 £
Donations	71,004	104,235
Unrestricted funds	67,113	74,235
Restricted funds	3,891	30,000
	71,004	104,235

4 Income from charitable activities

		2022 £	2021 £
Scottish Government grants	Trauma Counselling Line Scotland	100,469	91,754
	Future Pathways	3,594,536	3,479,712
	Redress Support	113,699	-
	Alliance	-	24,555
	Community-Based Adult Learning Fund	1,000	-
	Historic Adoption Support Helpline	5,875	-
	Investing in Communities Fund	-	11,218
	£500 'Thank You' Payments	14,302	-
	Resilience & Emergency Response Funds (COVID-19)	-	3,000
	Supporting Communities Fund (COVID-19)	1,870	35,273
	Wellbeing Fund (COVID-19)	-	19,224
		3,831,751	3,664,736
Service income	City of Edinburgh Council	648,610	525,805
	Midlothian Council	604,695	744,674
	Borders Council	223,234	216,138
	NHS Lothian	271,343	217,424
	West Lothian Council	65,000	65,000
	Scottish Government	-	35,514
Big Lottery Fund		43,271	39,996
Coronavirus Job Retention Scheme		-	13,386
Other grants		132,941	158,615
Other earned income		377,194	292,634
		6,198,039	5,973,922

There are no unfulfilled terms at the balance sheet date in respect of any income recognised above. Income for which the terms are unfulfilled is deferred and disclosed in note 19.

4 Income from charitable activities (continued)

	2022	2021
	£	£
Unrestricted funds	1,013,773	936,200
Restricted funds	5,184,266	5,037,722
	6,198,039	5,973,922

Analysis of charitable income by activity or programme:

	2022	2021
Trauma support and training	4,155,307	3,861,289
Counselling and talking therapies	287,419	318,002
Early intervention and community based support	1,755,313	1,794,631
	6,198,039	5,973,922

5 Income from other trading activities

	2022	2021
	£	£
Fundraising events	48,603	36,514
Unrestricted funds	48,603	36,514

6 Investment income

	2022	2021
	£	£
Income from listed investments	44	-
Interest received	403	22
	447	22
Unrestricted funds	447	22

7 Analysis of expenditure on raising funds

	2022	2021
	£	£
Employment costs	72,537	93,681
Direct expenditure on raising funds	8,350	3,893
Support costs (note 11)	36,878	35,694
	117,765	133,268
Unrestricted funds	117,765	133,268

Coronavirus Job Retention Scheme (CJRS) grants of £nil (2021: £11,870) were received in the year in respect fundraising staff (2021: two staff). Following a period of flexible furlough, the team returned to full time work in November 2020. In line with guidance, CJRS grants have not been deducted from employment costs, but have been presented as income on charitable activities (note 4).

8 Analysis of expenditure on charitable activities

	2022 £	2021 £
Employment costs	3,465,555	3,118,696
Projects and activities costs	2,130,905	2,164,456
Recruitment, travel, supervision & training costs	66,329	33,616
Premises costs	174,648	137,315
Running costs	231,658	182,063
Legal and professional fees	20,021	22,405
Bad debt write off	-	50
Depreciation	32,975	28,921
Pension strain costs	62,977	-
Interest on pension scheme	(885)	1,974
Governance costs		
Audit	9,949	10,715
AGM and Trustee meetings	198	8
	6,194,330	5,700,219
Unrestricted funds	883,914	692,122
Designated funds	50,225	3,298
Restricted funds	5,260,191	5,004,799
	6,194,330	5,700,219

9 Net income before gains and losses on investments:

	2022 £	2021 £
Net income is stated after charging:		
Depreciation and other amounts written off tangible assets	34,802	30,608
Operating lease rentals		
- Plant and machinery	1,578	1,571
- Land and buildings	91,355	89,940
Auditor's remuneration	10,500	11,340

10 Analysis of charitable expenditure by activity

Year ended 31 March 2022

Activity or Programme	Activities undertaken directly £	Support costs (note 11) £	2022 Total £
Trauma support and training	3,717,487	167,959	3,885,446
Counselling and talking therapies	221,999	62,849	284,848
Early intervention and community based support	1,564,920	459,116	2,024,036
	5,504,406	689,924	6,194,330

Prior year

Activity or Programme	Activities undertaken directly £	Support costs (note 11) £	2021 Total £
Trauma support and training	3,481,814	152,325	3,634,139
Counselling and talking therapies	272,100	58,314	330,414
Early intervention and community based support	1,314,344	421,322	1,735,666
	5,068,258	631,961	5,700,219

11 Analysis of support costs

Year ended 31 March 2022 Activity or programme	Staff costs £	Property costs £	Office running costs £	Legal & consult'cy fees £	Govern'ce costs £	2022 Total £
Raising funds	19,487	5,755	10,350	724	562	36,878
Trauma support and training	74,221	50,690	38,050	2,814	2,184	167,959
Counselling and talking therapies	31,239	13,492	16,015	1,184	919	62,849
Early intervention and community based support	239,345	80,952	122,701	9,075	7,043	459,116
	364,292	150,889	187,116	13,797	10,708	726,802

Support costs are allocated to activities in relation to the staff number and the actual costs of overheads incurred by each activity.

Prior year Activity or programme	Staff costs £	Property costs £	Office running costs £	Legal & consult'cy fees £	Govern'ce costs £	2021 Total £
Raising funds	20,238	5,741	8,113	976	626	35,694
Trauma support and training	65,399	55,783	23,682	3,337	4,124	152,325
Counselling and talking therapies	29,821	14,292	10,799	1,522	1,880	58,314
Early intervention and community based support	234,185	75,620	84,802	11,949	14,766	421,322
	349,643	151,436	127,396	17,783	21,396	667,655

Support costs are allocated to activities in relation to the staff number and the actual costs of overheads incurred by each activity.

12 Employees

	2022 Number	2021 Number
The average monthly number of employees during the year was:		
Service delivery	108	110
Support staff	13	14
	121	124
The average full time equivalent number of employees was:	105	97

13 Employment costs

	2022 £	2021 £
Wages and salaries (including agency fees)	3,055,634	2,876,974
Social security costs	284,691	258,478
Pension costs	142,917	91,277
Pension strain costs	62,977	-
Pension scheme interest	(885)	1,974
Redundancy costs	74,338	5,886
	3,619,672	3,234,589

The number of staff whose emoluments for the year fell within the following bands were:	2022 Number	2021 Number
£60,001 - £70,000	3	2

Redundancy costs have arisen on the closure and restructing of services in Midlothian and the Scottish Borders, following sucessful tenders and renewals. Costs are recognised when closure or restructuring was confirmed and the amount quantifiable. Costs recognised of £74,338 are all within the year and no amounts are outstanding at the balance sheet date (2021: £5,886).

The restructuring of Midlothian services also resulted in pension strain costs of £62,977 (2021: £nil).

Coronavirus Job Retention Scheme (CJRS) grants of £nil were received in the year in respect of fundraising and cleaning staff (2021: £13,386). Following a period of flexible furlough, all furloughed staff returned to their pre pandemic contract hours in November 2020. While furloughed all staff were paid 100% of their contracted salaries.

14 Remuneration of key management personnel

	2022 £	2021 £
Total employee benefits paid to key management personnel	195,992	126,729

The key management personnel comprises the Chief Executive and Depute Chief Executive. In 2021/22, an additional Acting Depute was in post for a period of nine months.

15 Trustees' emoluments and other transactions with trustees

None of the trustees received any remuneration and no expenses (2021: £nil) were reimbursed for attendance at Board meetings. One trustee was supplied with a basic mobile handset and contract sim to enable remote attendance at Board meetings during the pandemic at a cost of £206 (2021: £113). Another trustee was reimbursed £30 (£nil) for flowers bought for the retiring Chair. There were no other related party transactions in the year (2021: £nil).

Notes to the financial statements
for the year ended 31 March 2022

16 Tangible fixed assets

	Computer equipment £	Office equipment £	Office furniture £	Total £
Cost				
At 1 April 2021	149,188	44,348	11,674	205,210
Additions	55,402	650	-	56,052
Disposals	(6,044)	(5,855)	(7,414)	(19,313)
At 31 March 2022	198,546	39,143	4,260	241,949
Depreciation				
At 1 April 2021	76,499	40,611	10,151	127,261
Charge for the year	32,531	1,666	605	34,802
Disposals	(5,482)	(5,598)	(6,679)	(17,759)
At 31 March 2022	103,548	36,679	4,077	144,304
Net book values				
At 31 March 2022	94,998	2,464	183	97,645
At 31 March 2021	72,689	3,737	1,523	77,949

All the fixed assets are held for continuing use in the charity's activities.

17 Fixed asset investments

	Listed investments £	Total £
Valuation		
At 1 April 2021	2,700	2,700
Decrease in valuation	(546)	(546)
At 31 March 2022	2,154	2,154
Net book values		
At 31 March 2022	2,154	2,154
At 31 March 2021	2,700	2,700

Analysis of investments	2022 £	2021 £
Market value at year end		
Investments listed on a recognised stock exchange or held in common investment funds, open ended investment companies, unit trusts or other collective investment schemes.	2,154	2,700

Material investment holdings	2022 £	2021 £
The following holdings represent more than 5% of the value of the charity's total investments:		
Barclays Bank PLC ord shares	2,154	2,700

The cost of the fixed asset investment, which was acquired as the result of a demutualisation, was £nil.

18 Debtors

	2022	2021
	£	£
Grant and service fee debtors	103,584	172,409
Prepayments and accrued income	293,037	69,438
	396,621	241,847

19 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	316,298	129,294
Other taxes and social security costs	102,392	104,610
Other creditors	65,283	57,092
Accruals and deferred income	1,238,564	769,744
	1,722,537	1,060,740

Other creditors include £3,411 due in respect of pension contributions (2021: £5,123) and £34,450 in respect of a provision for dilapidations for leased properties (2021: £34,450).

Movement in deferred income	2022	2021
	£	£
Balance at 1 April 2021	679,132	397,040
Released in the year	(732,235)	(302,381)
Deferred	1,132,012	584,473
Balance at 31 March 2022	1,078,909	679,132

Grant and service income is deferred until the conditions relating to its receipt have been fulfilled or the services for which it has been received are delivered.

20 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	3,940	24,339
Amount payable falling due in more than one year but less than five years	3,940	20,038
Amount payable falling due in more than five years	-	4,301

Other creditors comprise the present value of deficit contributions to the Scottish Voluntary Sector Pension Scheme (see note 28) due in more than one year.

21 Analysis of net assets between funds

Fund balances at 31 March 2022 as represented by:	Unrestricted funds £	Pension funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	79,226	-	-	18,419	97,645
Investment assets	2,154	-	-	-	2,154
Current assets	2,497,065	-	146,448	96,397	2,739,910
Current liabilities	(1,719,126)	(3,411)	-	-	(1,722,537)
Creditors falling due in more than one year	-	(3,940)	-	-	(3,940)
	859,319	(7,351)	146,448	114,816	1,113,232

Fund balances at 31 March 2021 as represented by:	Unrestricted funds £	Pension funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	53,442	-	-	24,507	77,949
Investment assets	2,700	-	-	-	2,700
Current assets	1,762,236	-	179,052	89,922	2,031,210
Current liabilities	(1,055,617)	(5,123)	-	-	(1,060,740)
Creditors falling due in more than one year	-	(24,339)	-	-	(24,339)
	762,761	(29,462)	179,052	114,429	1,026,780

22 Unrestricted funds

Unrestricted funds	1 Apr '21 £	Income £	Expend-iture £	Transfers £	Investm'nt loss £	31 Mar '22 £
General funds	762,761	1,129,936	(1,023,790)	(9,042)	(546)	859,319
Unrestricted pension reserve	(29,462)	-	22,111	-	-	(7,351)
	733,299	1,129,936	(1,001,679)	(9,042)	(546)	851,968

Transfers

The majority of transfers from the general reserve to the restricted reserve were made to cover deficits incurred in the year. In addition, £35,000 was transferred to designated funds, increasing the Carista replacement and VoIP implementation funds, while the Midlothian relocation fund was closed and £17,379 funds returned to general reserves.

Purpose of unrestricted funds

Unrestricted funds comprise income which may be spent on the charitable objectives at the discretion of the Board of Directors. Income received under local authority or NHS contracts or service level agreements is deemed to be unrestricted as the level of spending on each of the projects is as budgeted by Health in Mind.

Unrestricted funds Prior year	1 Apr '20 £	Income £	Expend-iture £	Transfers £	Investm'nt gain £	31 Mar '21 £
General funds	660,153	1,046,971	(828,275)	(117,422)	1,334	762,761
Unrestricted pension reserve	(32,347)	-	2,885	-	-	(29,462)
	627,806	1,046,971	(825,390)	(117,422)	1,334	733,299

23 Designated funds

	1 Apr '21	Expenditure	Transfers	31 Mar '22
	£	£	£	£
Office refurbishment	41,450	-	-	41,450
Service user activity fund	9,838	-	-	9,838
Carista replacement fund	82,764	(37,604)	20,000	65,160
VoIP implementation fund	15,000	-	15,000	30,000
Midlothian relocation fund	30,000	(12,621)	(17,379)	-
	179,052	(50,225)	17,621	146,448

Office refurbishment

The lease at 40 Shandwick Place was renewed in May 2018 until May 2023 with six months' notice. The Board set aside funds for redecoration of the premises and the possible future move to other offices and a provision for the potential cost of redecoration at Shandwick Place was previously charged to this fund. Whilst redecoration works were undertaken in 2019 to Shandwick Place, the Board consider it prudent to reinstate the provision for the potential cost of dilapidations at Shandwick Place and other leased premises and a provision for the potential costs was charged to this fund in 2019/20. The Board have reviewed the level of provisions held in the year, resulting in £nil of the dilapidations provision being released back to this fund (2021: £19,000).

Service user activity fund

The service user activity fund was created by the Board to set aside funds for initiatives to benefit service users. The fund is open to all Health in Mind services and staff were encouraged to submit applications. During the year, no new proposals have been funded. Work on previously approved proposals is expected to commence in 2022/23.

Carista replacement fund

The Carista replacement fund was created by the Board in 2020 to set aside funds for the replacement and decommissioning of our current organisational database Carista. The Board set aside a further £20,000 towards the project during the year, which is expected to be completed in the first half of 2022/23.

VoIP implementation fund

The Voice over Internet Protocol (VoIP) implementation fund was created by the Board to set aside funds for implementation and project management costs associated with the replacement of our current telephone system with a VoIP system. The Board set aside a further £15,000 towards the project during the year, which is expected to be completed in 2022/23.

Midlothian relocation fund

The relocation fund was created by the Board to cover expected outlays arising from the relocation of Midlothian services from the Orchard Centre to new premises in Midlothian. The relocation was complete in September 2021, at a cost of £12,621. The fund was closed in year, with the balance of £17,379 returned to general funds.

Designated funds Prior year	1 Apr '20	Expenditure	Transfers	31 Mar '21
	£	£	£	£
Office refurbishment	22,450	19,000	-	41,450
Service user activity fund	9,900	(62)	-	9,838
Carista replacement fund	30,000	(22,236)	75,000	82,764
VoIP implementation fund	-	-	15,000	15,000
Midlothian relocation fund	-	-	30,000	30,000
	62,350	(3,298)	120,000	179,052

24 Restricted funds

	1 Apr '21	Income	Expend-iture	Transfers	Actuarial gain	31 Mar '22
	£	£	£	£	£	£
Midlothian Services	-	629,235	(726,680)	98,237	-	792
Midlothian pension reserve	-	-	-	(81,000)	81,000	-
Midlothian service user funds	7,533	-	-	-	-	7,533
Big Lottery (Social Prescribing)	12,442	43,271	(43,465)	-	-	12,248
Webspace (East/Mid/West/iThrive)	-	127,351	(115,870)	-	-	11,481
TCLS (Helpline)	-	100,469	(100,469)	-	-	-
Future Pathways	1,765	3,881,735	(3,853,668)	(28,067)	-	1,765
Redress Support	-	121,730	(120,747)	(983)	-	-
Bonnyrigg & Sherwood Community Dev. Trust	-	320	(337)	17	-	-
Bridge to Support	6,526	28,628	(28,339)	2,320	-	9,135
Cycling UK	-	1,600	(1,600)	-	-	-
Paths for All	460	-	(415)	-	-	45
Scottish Social Services Council	-	1,200	(1,200)	-	-	-
Volunteering Matters Action Earth	-	250	(251)	1	-	-
Edinburgh Thrive Arts Prog.	-	500	(500)	-	-	-
Greenspaces Pathfinder	-	1,696	(1,696)	-	-	-
Historic Adoption Support Helpline	-	5,875	(5,875)	-	-	-
Borders Services	60,397	221,734	(229,979)	329	-	52,481
Scottish Borders CBAL	-	1,000	(1,000)	-	-	-
Scottish Borders Council grants	-	2,500	(2,500)	-	-	-
Scottish Borders Peer Support Groups - social funds	799	-	-	-	-	799
Scottish Government £500 'Thank You' payments	-	14,302	(14,302)	-	-	-
Supporting Communities Fund	-	1,870	(2,437)	567	-	-
Donations - IT	24,507	-	(6,088)	-	-	18,419
Donations - Other	-	3,891	(3,773)	-	-	118
	114,429	5,188,157	(5,260,191)	(8,579)	81,000	114,816

24 Restricted funds (continued)

Prior year	1 Apr '20	Income	Expend-iture	Transfers	Actuarial gain	31 Mar '21
	£	£	£	£	£	£
Midlothian Services	-	767,106	(770,789)	3,683	-	-
OC pension reserve	-	-	-	(16,000)	16,000	-
Midlothian service user funds	-	-	-	7,533	-	7,533
Big Lottery (Social Prescribing)	9,816	39,996	(37,370)	-	-	12,442
Webspace (East/Mid/West/iThrive)	-	63,807	(66,142)	2,335	-	-
TCLS (Helpline)	-	91,754	(96,695)	4,941	-	-
Future Pathways	1,190	3,726,842	(3,721,197)	(5,070)	-	1,765
Bonnyrigg & Sherwood Community Dev. Trust	-	1,161	(1,161)	-	-	-
Bridge to Support	2,915	49,496	(45,885)	-	-	6,526
Cycling Scotland	-	-	-	-	-	-
Cycling UK	-	600	(600)	-	-	-
Edinburgh Food Project	-	11,218	(11,218)	-	-	-
EVOC (Trauma Support)	-	10,108	(10,108)	-	-	-
Paths for All	460	-	-	-	-	460
Scottish Social Services Council	-	1,200	(1,200)	-	-	-
Borders Services	23,703	209,651	(172,957)	-	-	60,397
Scottish Borders Council grants	-	6,487	(6,487)	-	-	-
Scottish Borders Peer Support Groups - social funds	-	799	-	-	-	799
Resilience & Emergency Response	-	3,000	(3,000)	-	-	-
Supporting Communities Fund	-	35,273	(35,273)	-	-	-
Wellbeing Fund	-	19,224	(19,224)	-	-	-
Donations - IT	-	30,000	(5,493)	-	-	24,507
	38,085	5,067,722	(5,004,799)	(2,578)	16,000	114,429

Midlothian Services

Health in Mind operate a number of services of community mental health and wellbeing services in Midlothian, including Access Point Midlothian, CLEAR Peer Support and Community. These services are primarily funded by Midlothian Council, along with East Lothian Council and NHS Lothian.

Access Point Midlothian is a drop-in service for adults aged 18-65 years who are registered with a GP in Midlothian. The service aims to help service users understand their mental health better, to sign-post to local services and groups and support their access to them.

CLEAR is a Midlothian peer support project for people who experience drug or alcohol problems and mental health difficulties. The service is partially funded by Midlothian Council.

We also offer a range of early intervention and community based support, including peer support groups, workshops and courses, together with Guided Self-Help and Arts Psychotherapy, mainly funded by Midlothian Council and NHS Lothian.

24 Restricted funds (continued)

Midlothian pension reserve (formerly Orchard Centre pension reserve)
The pension reserve represents the accumulated actuarial surplus or deficit in the Lothian Pension fund for certain employees who were formerly employed by Midlothian Council. Further information on the Lothian Pension Fund is given in note 27.

Midlothian service user fund
The service user fund sets aside funds raised by users of the Orchard Centre for initiatives and activities to benefit service users in Midlothian. Decision making over expenditure will be overseen by the Advisory Group, made up of service users. No funds were spent in the year.

Big Lottery (Social Prescribing)
This is a social prescribing service supporting people experiencing low levels of mental well-being, funded by the Big Lottery Fund, delivered as part of a partnership working across Scotland and Northern Ireland.

Webspace (East/Mid/Westspace/iThrive)
Eastspace, Midspace, Westspace and iThrive are web based directories of mental health services in East, Mid and West Lothian, funded by NHS Lothian and Midlothian Council. In 2021/22 Eastspace, Midspace, Westspace were relaunched.

TCLS Helpline
TCLS, Telephone Counselling Line Scotland, is a national telephone counselling service for survivors of childhood sexual abuse, funded by the Scottish Government, focusing on supporting people living in remote/rural areas, BME communities and those with disabilities.

Future Pathways
Future Pathways, funded by the Scottish Government, offers help and support to people who were abused or neglected as children while they were living in care in Scotland. The transfer from restricted to unrestricted funds represents capital expenditure in the year.

Redress Support
Redress Support, funded by the Scottish Government, offers help and support to people applying for redress as survivors of historic child abuse in care, in Scotland. The transfer from restricted to unrestricted funds represents capital expenditure in the year.

Bonnyrigg & Sherwood Development Trust
In November 2020, the Trust gave permission for the funds originally received in 2019 for activities, trips and outings, to instead be used to help provide creative and therapeutic activities within our Arts Psychotherapy service. The remaining balance was spent in the year.

Bridge to Support
Bridge to Support is a service supporting people who were abused by the Jesuits and their staff. The service is funded by the Jesuits.

Cycling Scotland
A grant was received from Cycling Scotland in August 2018. The grant is for capital and revenue funding to support the aims of the Cycle Friendly Community Development Fund in Midlothian. No funds were spent in the year, with the balance deferred in agreement with Cycling Scotland. Activity recommenced in May 2022.

24 Restricted funds (continued)

Cycling UK
A Big Bike Revival for Key Workers grant of £400 was received from Cycling UK in May 2020, to fund the purchase of safety equipment to accompany bikes offered, on loan, to frontline NHS staff.

A separate grant of £1,800 was received in August 2020 to support the aims of Scotland Cycle Repair Scheme in Midlothian. Funds not spent in the year have been deferred in agreement with Cycling UK.

Edinburgh Food Project
A grant was received from Edinburgh Food Project in 2020, as part of the Scottish Government's Investing in Communities Fund and the More Than Food programme. The grant funded a confidential mental health and wellbeing support line for those in receipt of support from the Edinburgh Food Project.

EVOC (Trauma Support)
In August 2020, EVOC approved a proposal to reallocate a LOOPS underspend brought forward from 2019, to extend the Trauma Support service, initially funded short-term by the Scottish Government's COVID-19 Community Support Fund. These funds enabled the service to be extended for a further six months to March 2021.

Paths for All
A grant was awarded by Paths for All to fund volunteers to work with The Midlothian Countryside Rangers, residents, cyclists and walkers to remove overgrown vegetation at the Old Railway platform site in Rosewell. £415 was spent in the year (2021: £nil).

Scottish Social Services Council
A £1,200 grant was awarded to fund the cost of a staff member undertaking an SVQ qualification (2021: £1,200).

Volunteering Matters Action Earth
A grant of £250 was awarded to fund the purchase of gardening equipment as part of the ROWAN project in Midlothian. The grant was funded by NatureScot.

Edinburgh Thrive Arts Programme
A £500 grant was received towards costs of participating in the 2021 Programme. The grant was funded by Edinburgh Health and Social Care Partnership, administered by CAPS.

Greenspaces Pathfinder
A grant was received from Edinburgh and Lothians Health Foundation for participation in the Midlothian Green Social Prescribing Pathfinder project. Funds not spent in the year have been deferred.

Historic Adoption Support Helpline
Funded by the Scottish Government, we provided a dedicated trauma-informed helpline for people considering or actually participating in the Government's consultation process. The helpline ran for 12 weeks in parallel with the timetable for engagement activity and ended in April 2022.

Borders Services
The Wellbeing College is funded by the Health and Social Care Partnership in Scottish Borders. The college uses an educational model to offer people the opportunity to increase their wellbeing and realise their potential through learning opportunities. The college is for anyone living in the Borders who is aged 16 and over.

24 Restricted funds (continued)

Borders Services (continued)
The Council also fund re:discover Borders, a recovery focused befriending service supporting people throughout the Scottish Borders and a Peer to Peer Wellbeing group, which offers a rolling programme of activities, providing an environment for people with mental health difficulties to come together.

Scottish Borders Council grants
A Locality Bid Fund grant was received to deliver a Branching Out project in the Scottish Borders. The 12 week project was completed in December 2020.

A grant was received in March 2020 from Borders Council, to plan and deliver a consultation with men in the Scottish Borders looking at their mental health and risk of suicide.

In 2020/21, a grant was received to develop and record six online bitesized mental health improvement sessions. The project was concluded in 2021/22.

Scottish Borders CBAL
A grant of £1,000 was received in the year from the Scottish Borders Community-Based Adult Learning (CBAL) Fund. The funds were used to deliver courses on Building Resiliance in February and March 2022.

Scottish Borders Peer Support Groups - social funds
Funds transferred from New Horizons Borders when Health in Mind took over the Peer Support service. Funds represent monies collected by members of the peer groups, for members, independent of the organisation, to be used to fund refreshments and social events. No funds were spent in the year, due to ongoing impact of COVID-19 restrictions.

Scottish Government £500 'Thank You' payments
As part of the Scottish Government's £500 'Thank You' payment for health and social care staff, payments of £14,302 were made to eligible staff.

Resilience & Emergency Response Funds (COVID-19)
In 2020 we received £1,000 from Foundation Scotland, enabling us to purchase several Zoom licenses, increasing online support delivery. We also received a further £2,000 from Inspiring Scotland to enable us to provide Wellness Recovery Action Plan groups and additional befriending support. Both grants were funded from the Scottish Governments Resilience and Emergency Response Funds.

Supporting Communities Fund (COVID-19)
Lifecare (£7,500) - short-term funding received in 2020 from the Scottish Government's COVID-19 Supporting Communities Fund enabled us to offer additional trauma informed and focused telephone support for older survivors of childhood trauma, who were struggling with their mental health due to COVID-19 restrictions.

EVOC (£570) - enabled us to purchase tablets and wifi connections for people from BAME communities who were struggling with their mental health due to COVID-19 restrictions (2021: £14,318). The grant also enabled us to offer additional individual and group support. The project came to an end in May 2022.

Working in partnership with Volunteer Midlothian, funding (£13,455) enabled us to provide mental health and wellbeing training to volunteers involved across Midlothian during the global pandemic in 2020/21.

Pockets & Prospects (£1,300) - during the year, we received Pockets & Prospects funding towards provision of counselling services as part of Scottish Borders Social Prescribing service. Funded by the Scottish Government's Community Capacity and Resilience Fund.

24 Restricted funds (continued)

Wellbeing Fund (COVID-19)
A grant was received in 2020 from the Corra Foundation, as part of the Scottish Government's COVID-19 Wellbeing Fund. The grant enabled us to establish a listening support and wellbeing line for young people struggling with their mental health due to COVID-19 restrictions/impact. The service ended in July 2020.

Donation - IT
In 2020 we received a donation of £30,000 to be used for the purpose of purchasing laptops and associated IT equipment for staff, to enable greater flexibility for working from home during the pandemic. Equipment purchased was capitalised in line with the organisation's fixed asset policy with expenditure representing depreciation charged in the year on those assets.

Donations - Other
During the year, a donation of £334 was received with the requirement that it be spent on Scottish Borders services. There were no other restrictions applied to the donation and funds were utilised in the year.

£3,557 of funds were received from Co-op's Local Community Funds, as a chosen charity for West Lothian and Midlothian. Funds raised for the information sites West and Midspace.

25 Operating lease commitments

	2022	2021
	£	£
Amounts falling due:		
Within one year	73,603	69,557
Within two to five years	46,132	64,030
	119,735	133,587

26 Financial instruments

	2022	2021
	£	£
The charity's financial instruments may be analysed as follows:		
Financial assets		
Financial assets measured at fair value through profit or loss	2,154	2,700
Financial assets that are debt instruments measured at amortised cost	2,542,180	1,971,056
Financial liabilities		
Financial liabilities measured at amortised cost	(553,571)	(287,801)
Financial liabilities measured at fair value	(7,351)	(29,462)

Financial assets measured at fair value comprise a fixed asset investment in listed company shares.

Financial assets measured at amortised cost comprise cash and trade, grant and service fee debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

Financial liabilities measured at fair value comprise amounts due in respect of deficit funding to the Scottish Voluntary Sector Pension Scheme.

27 Defined benefit pension scheme

The charity provides pension arrangements to certain Orchard Centre employees, who were formerly employed by Midlothian Council, through the Lothian Pension Fund defined benefit scheme. Contributions in the year to the pension fund in relation to those employees amounted to £69,000 (2021: £8,000) and the employers' contribution rate was 19.6% (2021: 13.7%). A valuation of the scheme on an FRS102 basis as at 31 March 2022 was carried out by independent actuaries.

Analysis of amount charged to Statement of Financial Activities	2022 £	2021 £
Current service cost	16,000	24,000
Past service cost	135,000	-
Total amount charged	151,000	24,000
Expected return on employer assets	(145,000)	(191,000)
Interest on pension scheme liabilities	25,000	27,000
Net finance (return)	(120,000)	(164,000)
Actuarial gain	176,000	118,000
Restriction of scheme surplus	(95,000)	(102,000)
Net actuarial gain recognised	81,000	16,000

Changes in present value of scheme obligation during the year	2022 £	2021 £
At 1 April	1,209,000	1,168,000
Current service cost	16,000	24,000
Past service cost	135,000	-
Interest cost	25,000	27,000
Member contributions	2,000	4,000
Benefits paid	(32,000)	(31,000)
Actuarial (gain)/loss due to changes in assumptions	(60,000)	103,000
Actuarial loss/(gain) due to experience	3,000	(86,000)
At 31 March	1,298,000	1,209,000

Changes in the value of plan assets during the year	2022 £	2021 £
At 1 April	1,319,000	1,176,000
Interest on assets	26,000	27,000
Member contributions	2,000	4,000
Employer contributions	69,000	8,000
Benefits paid	(32,000)	(31,000)
Actuarial gain on plan assets	119,000	164,000
Actuarial (loss) due to experience	-	(29,000)
At 31 March	1,503,000	1,319,000
Net closing asset at 31 March	205,000	110,000
Restriction in recognition of scheme surplus	(205,000)	(110,000)
Pension scheme asset	-	-

27 Defined benefit pension scheme (continued)

FRS102 states that a surplus may not be recognised unless it may be considered recoverable through reduced future contributions or through refunds from the scheme. This valuation will not be used to calculate future contributions to the fund and the recognition of the surplus is therefore limited to zero.

Composition of plan assets	**2022**	**2021**
	£	**£**
Equities	1,067,130	962,870
Bonds	195,390	158,280
Property	105,210	92,330
Cash	135,270	105,520
Total plan assets	1,503,000	1,319,000
Actual return on plan assets	162,324	216,316

The main assumptions used by the actuary are:	**2022**	**2021**
	%	**%**
Rate of increase in salaries	1.80	1.75
Rate of increase in pensions in payment	3.30	2.80
Discount rate	2.70	1.95
Inflation assumption	3.30	2.80
Mortality rates		
- for a male aged 65 now	20.3 yrs	20.5 yrs
- at 65 for a male member aged 45 now	21.6 yrs	21.9 yrs
- for a female aged 65 now	23.1 yrs	23.3 yrs
- at 65 for a female member aged 45 now	25.0 yrs	25.2 yrs

As explained in note 2, Judgements and Estimates, the Trustees consider that it is reasonable to assume a rate of salary increase of 1.8%. The sensitivity analysis provided by the scheme actuaries indicates that the effect of the increase in this assumption from 2018 is within the amount of the restriction of the scheme surplus.

28 Retirement benefit obligations

Scottish Voluntary Sector Pension Scheme

Health in Mind also participated in the Scottish Voluntary Sector Pension Scheme operated by the Pensions Trust but no employer contributions are charged in the Statement of Financial Activities (2021: £nil), except the contribution required to fund the Scheme deficit as explained below. The Scheme is a multi-employer defined benefit scheme in the UK which provides benefits to 82 non-associated employers. The Scheme closed to future accrual on 31 March 2010. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the Scheme as a defined contribution scheme.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

28 Retirement benefit obligations (continued)

The Scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the Scheme deficit following withdrawal from the Scheme. Participating employers are legally required to meet their share of the Scheme deficit on an annuity purchase basis on withdrawal from the Scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eliminate this funding shortfall, the Trustee and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 May 2024:	£1,507,960 per annum (payable monthly and increasing by 3% each year 1st April)

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 29 February 2028.

Note that the Scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2026:	£1,404,638 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2019 to 30 September 2027:	£136,701 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present value of provision	**2022**	**2021**	**2020**
	£	**£**	**£**
Present value of provision	7,351	29,462	32,347

28 Retirement benefit obligations (continued)

Reconciliation of opening and closing provisions

	2022	2021
	£	£
Provision at start of period	29,462	32,347
Unwinding of the discount factor (interest expense)	231	763
Deficit contribution paid	(5,123)	(4,974)
Remeasurements – impact of any change in assumptions	(110)	1,326
Remeasurements – amendments to the contribution schedule	(17,109)	-
Provision at end of period	7,351	29,462

	2022	2021
	£	£
Amount payable falling due in less than one year	3,411	5,123
Amount payable falling due in more than one year	3,940	24,339
	7,351	29,462

Income and expenditure impact	2022	2021
	£	£
Interest expense	231	763
Remeasurements - impact of any change in assumptions	(110)	1,326
Remeasurements - amendments to the contribution schedule	(17,109)	-

Assumptions	2022	2021	2020
Rate of discount (% per annum)	2.30	0.86	2.57

Deficit contributions schedule

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Year ending	2022	2021	2020
	£	£	£
Year 1	3,411	5,123	4,974
Year 2	3,514	5,277	5,123
Year 3	603	5,435	5,277
Year 4	-	5,598	5,435
Year 5	-	5,766	5,598
Year 6	-	2,970	5,766
Year 7	-	-	2,970

29 Contingent liability

Health in Mind has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2021. As of this date the estimated employer debt for Health in Mind was £100,646 (2020: £136,756).

30 Analysis of changes in net debt

	1 Apr '21	Cash flows	31 Mar '22
	£	£	£
Cash	1,789,363	553,926	2,343,289
Finance lease obligations	-	-	-
	1,789,363	553,926	2,343,289