Health in Mind

Report and Financial Statements

For the year ended 31 March 2025

Charity number: SC004128

Company number: SC124090

Contents

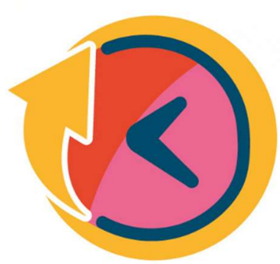
Message from Health in Mind Chair and Chief Executive

We operate within an extremely challenging external environment which includes pressures on local and national budgets and increasing demand for support. This has impacted our services in a number of ways requiring us to make savings, and resulting in some of our services closing as funding came to an end.

However, our strong history of creativity and innovation, positive, hopeful and inclusive approach, and knowledge and experience of working alongside people to improve their mental health and wellbeing enables us to meet these challenges head on.

This report marks the end of the second year of our five year strategy Sharing Hope and we continue to work to realise the commitments we have made:

Keep people at the heart of all we do.



Be there for people when, how and where they need us.

Share our learning and experience.

We know it's not just what we do but how we do it that makes Health in Mind such a great organisation. That's due to the approach and hard work of our staff and volunteer team and our Trustees, together with support from our stakeholders and supporters.

Thank you.

JC Donnelly

Jennifer Donnelly, Health in Mind Chair

Wendy Bates

Wendy Bates, Health in Mind Chief Executive

The Trustees have pleasure in presenting their annual report and the financial statements for the year ended 31 March 2025. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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).

About Health in Mind

Health in Mind is one of Scotland's best-known and trusted mental health charities. Since 1982, we have evolved in response to need and now promote positive mental health and wellbeing in local communities across Scotland.

Our vision: everyone in Scotland has positive mental health and wellbeing and can access high-quality support if, when and how they need it.

Our purpose: through our unique pathway of support, collaborations, campaigns, and resources, we build hope, resilience and understanding of mental health and wellbeing.

We bring this to life by:

Living our values: our values are central to everything we do and the way we work. We put people at the heart of all we do and are committed to creating opportunities for people to progress in their lives – and within our organisation.

Focussing on communities: we build strong connections and relationships in local communities to truly understand and respond to local needs. We are committed to providing a range of approaches that help make mental health support accessible to everyone. One of our first services provided safe spaces to support the mental health and wellbeing of women; another offered mental health support for people from black and minority ethnic communities. We remain committed to providing a range of approaches that help make mental health support accessible to everyone.

Being knowledgeable and expert: we take an evidence-based and trauma-skilled approach to our support. We embrace and value lived experience and are proud that many of our team members are experts by experience - this expands and enhances our mental health and wellbeing knowledge and expertise.

Having national reach: our website and online self-help resources, campaigns, trauma support and partnerships extend our reach across Scotland. We are a key part of the In Care Survivors Alliance - Scotland's first alliancing partnership - providing support for survivors of in care abuse or neglect in Scotland.

Our work and impact

Health in Mind offers a range of mental health and wellbeing services and activities. We work both locally in Edinburgh, Lothians, Scottish Borders and nationally across Scotland.

In 2024/25, we offered a holistic pathway of services tailored to people's needs and aspirations. This has included early intervention and prevention, peer support, counselling, group, and individual support.

Our services were delivered in a range of ways, including online and digital support, telephone and in person, best suit people's preferences and needs. This ensures we are here for people when they need us, enables people to progress in their lives, and within our organisation.

During 2024/25 we employed 177 staff in a wide variety of roles across the organisation, with an average number of staff employed of 135. In addition, we involved 135 volunteers in our work.

Our digital services continued to grow with over 241,870 users accessing our Information Websites and our wellbeing resources on the Health in Mind website having over 28,500 page views.

392 people supported our work through our fundraising activities and 223 people took part in Challenge events for Health in Mind. We also worked with 12 corporate partnerships.

Social Value

We have used the Social Value Engine to calculate the social value of our work across 2024/25.

Social Value Engine

The Social Value Engine (SVE) was developed and co-owned by Rose Regeneration and East Riding of Yorkshire Council in response to the Public Services (Social Value) Act 2012.

It aligns with the Social Return on Investment (SROI) methodology and the eight Social Value International principles as outlined by the Institute for Social Value.

The SVE is a tool that measures, tracks, and evidences the social value generated by projects, converting social outcomes into financial values to help organisations communicate their community impact.

The Social Value Engine is accredited by Social Value International.

Social Value per £1 spent*

£ 3.39

* this calculation does not include our work within the In Care Survivors Alliance.

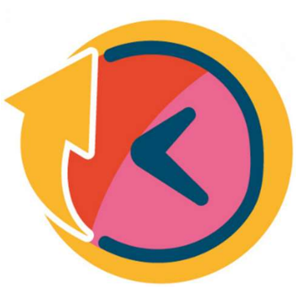
Key Achievements and 2025/26 Focus

Key strategic achievements: Sharing Hope 2023 -2028

- Health in Mind Strategy Learning and Implementation Group comprising representatives from our Trustees, people accessing support, Staff, Volunteers and Managers, and Senior Leadership Team continues to oversee our progress towards our strategic commitments.
- Across our organisational pillars, we have achieved 86% of actions within Governance and Leadership and Service and Support Delivery, 54% across Engagement and Income Generation and 76% across Corporate Services. Our progress has been impacted by the additional work we have undertaken to secure funding contracts across the organisation.
- We have recruited a Quality Impact and Evaluation Officer who will develop a Quality Framework for the organisation.
- As part of our commitment to being a trauma informed organisation, we have created a roadmap which outlines our approach, highlighting that this is not a one-off project but an ongoing focus for the organisation.
- We reviewed our Senior Leadership Team structure and made changes to ensure focus on organisational sustainability and flexibility.
- We achieved Cyber Essentials accreditation and moved our IT infrastructure to being 100% cloud based.

Our 2025/26 focus

- We will implement our People plans.
- We will finalise and implement our Quality Management Framework.
- We will co-design a Lived Experience Steering group.
- We will implement our Trauma Informed Organisation Road Map.
- We will develop our approach to business growth and development.



‘Health and Mind helped give me tools to work through my trauma and give more time back to myself. They have also in effect helped my family as my positive energy has spread from my partner to my kids.’
(Person accessing Health in Mind services in 2024/25)

‘The support I got through Health in Mind helped me find a way to improve my situation and made it possible to go on living.’
(Person accessing Health in Mind services in 2024/25)

‘I feel like a completely different person from when I started. It’s made such a difference, thank you so much.’
(Person accessing Health in Mind services in 2024/25)

Key achievements: Support

- During 2024/25, our services were subject to several changes due to service redesign, funding cuts and contracts ending. We have also adapted our group work delivery model removing our Listening Spaces as well as ending our Trauma and Mental Health training delivery. These various differences in 2024/25 have changed and impacted the number of people we supported and how we report that data.

- We supported 2,053 people in 2024/25:
    - 1,141 people were supported in our **community and early intervention based services**, with 206 people accessing more than one service.
    - 195 people received **counselling and talking therapies**, of those 4 people accessed more than one service.
    - 99 people received **Trauma Support** with 14 people accessing more than one service
    - 114 people attended **Trauma Training**.
    - 429 people attended our Midlothian Access Point service, delivered in partnership with Midlothian Health and Social Care Partnership.

- We renewed our partnership with the Edinburgh Festival Fringe Society, providing 82 mental health and wellbeing support sessions for 75 performers.

- Although the data for the number of people we supported through the North West Thrive Welcome Team cannot be reported as it is held within the NHS data collection framework, our Team have continued to support people through a range of person centred approaches.

- During 2024/25, 241,870 users accessed our Information Websites covering Edinburgh, Midlothian, East Lothian and West Lothian.

- 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.
    - 90% of respondents agreed or strongly agreed that they have a better understanding of their mental health and wellbeing.
    - 95% of respondents agreed or strongly agreed that they were supported with compassion and care.
    - 98% of respondents agreed or strongly agreed that they were treated with respect and their views were heard.

- In 2024/25 we worked to ensure our group delivery was consistent across the organisation- sharing our learning across our geographic locations to ensure best practice.

- New evaluation forms ensured that we were able to increase the number of people who responded to our satisfaction survey

Our 2025/26 focus

- We will implement practice development sessions both within and across teams.

- We will continue to refine our evaluation process to ensure we are measuring what matters.

- We will embed our approach to enquiries and initial conversations across all services, ensuring consistency within our person centred, trauma informed approach.

Key achievements: In Care Survivors Alliance

- Health in Mind is a member of the In Care Survivors Alliance, which hosts two services, Future Pathways and Redress Support Service.
- Future Pathways was established in 2016. 824 people have accessed support during 2024/25.
- The greatest challenge facing Future Pathways continues to be responding to all those who register for support. In October, we were awarded additional interim funding to support us to address this issue during 2025/26.
- The Redress Support Service was established in December 2021. 1,036 people were supported in 2024/25. This includes both new referrals and people who re-referred into the service. On average, 600 people were in active support each month.
- The most requested type of support within the Redress Support Service is help to access records (79% of referrals) with emotional and practical support also available. As individuals complete the process, they may also access Non-Financial Redress.
- Individuals are successfully completing support, with 929 people completing support in 2024/25. 435 people were re-referred for support with new and additional support needs during the year.

Our 2025/26 focus

- We will reduce the waiting times to access Future Pathways by establishing an additional Support Coordination team.
- We will introduce peer support into Future Pathways, based on last year's co-design project.
- We will continue to measure impact and quality, applying our learning each quarter.
- We will progress our Communications and Creative Strategy focusing on inclusion, connection and representation
- We will continue to sustain good performance in Redress Support Service with access to records a key focus.

'[Future Pathways] supplied the tools to help me to recover, as best as possible, leave the past behind and for the first time in my 66 years gave me the opportunity to look to the future.'
(Person accessing Future Pathways in 2024/25)

'Very helpful, it was just what I needed. When I started redress, I had no idea how it was going to affect me, having someone to talk to has helped me so much, thank you.'
(Person accessing Redress Support Service in 2024/25)

Key achievements: Engagement and Income Generation

- We secured funding to launch a new area for Children and Young People on West Space in collaboration with the West Lothian Mental Health Oversight Group and young people within the region.
- We partnered with NHS Lothian Charity to develop new Green Social Prescribing resources to be made available on all Lothian Web Spaces.
- We commenced a new partnership with the Scotland's Veterans Wellbeing Alliance to co-design a new online platform to support veterans' wellbeing.
- We completed the first year of our Fundraising plan which led to two very successful volunteer-led fundraising events, including the first Scottish event of 'Darkness into Light.'
- We were successful in our National Lottery Community Fund application to expand our short-term Trauma Support service.
- During the year, we took the difficult decision to end our Trauma Training provision.
- We added resource within our Communications Team to create capacity for focused and strategic communications and marketing.
- We developed a structured, trauma informed process for storytelling and introduced a growing story bank with five new stories published.
- We developed a framework for improving and monitoring our press profile.
- We produced two new print and eight new digital mental health resources and established a new blog section on the website to share our learning.

Our 2025/26 focus

- We will launch Scotland's Veterans Wellbeing Alliance website.
- We will develop new Six Ways to Wellbeing resources for use by the workforce and wider public within West Lothian.
- We will continue to grow income through both our fundraising and wider income generation work.
- We will develop a strategic communications approach which supports financial stability/growth.
- We will continue to share our learning and experience.

'After having seen the amazing work they were doing, and meeting the incredible team, I just wanted to find a way to support Health in Mind…I really like the community there is with Health in Mind… it feels a lot more personal and individually supportive.'
(Fundraiser, 2024/25)

'I just wanted to take a moment to thank you guys for all the great resources on your page. It's been a tough time for me, and I've found great information there.'
(Information Website User, 2024/25)

Key achievements: Our People

- Health in Mind continues to be a Living Wage Employer.
- We co-designed our People Plan with our staff team, focusing on fostering an environment where everyone can realise their potential, making Health in Mind a great place to work, regardless of role, experience or length of service, where we all feel supported to learn and develop our talents and collectively realise our strategic commitments.
- We also co-designed our Leadership Framework and Competencies, focusing on a Compassionate, Trauma Informed Leadership approach.
- Our long service awards celebrate staff with over five years' service with Health in Mind. 14 staff received a long service award this year, with 2 staff receiving awards for 25 years' service.
- Volunteers rated their volunteering experience with Health in Mind as 4.6/5 and 71% said that volunteering has met their expectations.

Our 2025/26 focus

- We will implement our People Plan objectives
- We will implement our new HR and online learning system
- We will deliver on our Volunteer Development Plan and further develop volunteering within Health in Mind.
- We will provide a range of learning and development opportunities to support our team to realise their potential

'Everyone I have met has more or less the same aim and values which I relate to. I can be myself and feel accepted.'
(Health in Mind Volunteer)

'I really enjoy the balance between being trusted completely to meet and connect with the person I support while also being supported really well by my supervisor.'
(Health in Mind Volunteer)

'Feedback is essential to be able to contribute or influence any factor and we are all responsible to do it. Although we all work for the same organisation, we all have different experiences, challenges and possible barriers.'
(Health in Mind Staff Member)

'We have many opportunities to contribute towards the improvement and development of the service and I can give examples of how feedback from the people we work with and from staff have been taken up and used to make positive change'
(Health in Mind Staff Member)

Environment, Social and Governance (ESG)

At Health in Mind, we are committed to integrating environmental sustainability, social impact and strong governance into every aspect of our work. We recognise our responsibility to support individuals, communities and the broader sector while ensuring ethical leadership and sustainable practices.

Environmental Sustainability

Our Greenhouse Gases (GHG) Emission (also known as Carbon Footprint) was calculated for 1 April 2024 to 31 March 2025.

Our GHG Emission was calculated using the ISO 14064 and GHG Emissions Protocol Standards, measuring both direct and indirect emissions, and considered hybrid working.

Health in Mind Total carbon footprint 2024/25 was 95.92t CO_2e. This compares to 197.50t CO_2e in 2023/24.

Health in Mind offset our carbon footprint to become certified as a Carbon Neutral Business by Carbon Neutral Britain.

Carbon Neutral Status has been awarded for 12 months.

We will continue to work to reduce our carbon footprint through, for example, seeking to secure alternative office accommodation within Edinburgh.

Governance

During 2024/25 we reviewed our Governance Practices against the Scottish Good Governance Code for the Third Sector. This review indicated strong compliance with legal requirements and a commitment to good governance practices.

Involvement and Social Impact

Health in Mind is committed to promoting an understanding of equality and diversity. Our aim is to be representative of the communities we serve and are committed to ensuring the health and wellbeing of all our staff, volunteers and the people we support. Trustees review equality data on an annual basis to ensure this is the case.

In 2024/25 we developed an Integrated Impact Assessment which is undertaken at the beginning of a new piece of work, service design or policy/ procedure development or amendment.

We have reviewed our Involvement Policy which now includes appropriate payments for those offering their time to contribute their views within involvement and co-design activities.

Our Strategy Learning and Implementation Group, comprising Trustees, staff, volunteers and people accessing services continues to meet to review our progress towards our strategic commitments.

Financial Review

Income for the year ended 31 March 2025 decreased by 2.4% to £9,026,662 while expenditure fell by 1.3% to £9,044,622.

During the year, many of our services were subject to changes and service redesign due to funding cuts. Two services: Trauma Counselling Line Scotland and Social Prescribing, funded by the Scottish Government, closed, when contracts ended. Both resulted in restructures of our counselling and Scottish

Borders services respectively, to ensure the continued financial viability of these services. The Board also took the decision to end our Trauma and Mental Health training provision.

We successfully achieved new funding from NHS Lothian to create a Thrive Collective Learning Partnership with commissioned collaborative Edinburgh Thrive, and from West Lothian Council to launch new areas for Children and Young People on West Space. We also continued our successful partnership with Edinburgh Festival Fringe Society, providing mental health and wellbeing support sessions for performing artists.

In Care Survivors Alliance funding for the Redress Support Service, increased from £1,358,711 to £1,482,702 (9.1%) with additional resources directed to support to access records. Future Pathways funding, fell by 3.7% to £4,766,479 (2024: £4,947,590), reflecting a reduction to the need for commissioned support and discretionary payments for survivors, rather than a cut to funding.

Our ‘other’ earned income increased by 7.5% from £472,172 to £507,574, reflecting the growth of Future Pathways and Redress Support direct core costs, off-set by the continued impact of the cost-of-living crisis on our income generating counselling service and closure of our external training provisions. Income from donations and fundraising activities reduced by 11.6%, reflect the challenging environment and a smaller dedicated team in 2025.

A deficit of £36,960 (2024 surplus: £62,941) was made after taking the defined benefit pension scheme actuarial loss of £19,000 at 31 March 2025 into account (2024: £24,000). We continue to operate in an extremely challenging environment, with increased pressure on public funding. Even those contracts that have remained static, are effectively a real terms cut compounded by persistently high inflation in recent years. This is partly mitigated by reductions in certain charitable activity costs, such as project activity costs and staff travel. Such costs which remain below pre-COVID levels, reflecting the continued demand for a mix of remote and in person support. We have also worked closely with funders proactively to mitigate these pressures, as aforementioned.

During the year, we returned £140,000 of accumulated historic restricted reserves to Scottish Borders Council. These funds were previously held, with permission from the funder, to supplement existing contracts. We also incurred planned unrestricted reserve spend of £17,174 in respect of IT infrastructure improvements and Cyber Essentials accreditation.

Health in Mind’s unrestricted reserves have decreased by 0.5% to £936,917 (2024: £941,920) in the year.

Designated reserves increased to £125,218 (2024: £85,618). £400 of costs were incurred in respect of the Engagement fund, while £40,000 was transferred to the Office refurbishment fund, in anticipation of costs associated with securing alternative office accommodation within Edinburgh and Midlothian.

The restricted reserves balance at the year end is £112,707 (2024: £184,264). The 38.8% reduction is mainly in respect of our Community Mental Health and Wellbeing Services in the Scottish Borders, and the aforementioned return of funds.

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 2025. 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 £774,000-£851,000.

The reserves range recognises the current risk, particularly around our income streams, as well as the uncertainty in the wider economic environment, including constraints on Scottish and Local Government budgets. 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 2025 amount to £872,772. This represents 3.6 months' cover of general fund expenditure, applying the same financial impact of risk approach. This is slightly above the target range, and puts the organisation in a positive position entering 2025/26.

The 2025/26 budget plans for an unrestricted surplus of £35,000, however this includes £5,000 of planned expenditure to be met from unrestricted surpluses brought forward. This relates to the continued investment in our cyber security and IT infrastructure. Consequently, our cashflow forecasts project a net cash outflow of £47,000 when adjusted for utilisation of deferred income brought forward.

Investment Policy

The investment policy has been updated and approved by the Board in 2025. 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.

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 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:

- Financial impact of Scottish and Local Government budgetary constraints on statutory funding including unexpected loss of contract(s)/ reduction in funding; and
- Organisational flexibility/ sustainability to survive significant reductions in statutory funding.

The 2025/26 budget has been prepared with these risks at the forefront and was approved by the Board at their meeting of 23 June 2025.

In addition to this, we have performed reverse stress testing forecasts for the 21 months to December 2026, reflecting the above risks. Our worst-case scenario assumes that certain existing contracts, up for renewal within the period, are not extended or funding cuts are applied. Fundraising and income generation remains flat. The forecast also assumes that no mitigating actions, such as reducing overheads are taken.

In this scenario, overall income is expected to rise by 2.1% and expenditure by 4.4% in the nine months to 31 December 2026, primarily driven by In Care Alliance Future Pathways and Redress Support Service funding, combined with new multi-year funded services commencing in 2025/26. Overall, the worst-case scenario forecasts a deficit representing 11.7% of free reserves held as at 31 March 2025, excluding planned designated fund spend.

At the year end, we have a strong and liquid balance sheet, with free reserves of £872,772. Our analysis and cashflow forecasts show that even in the worst-case scenario forecasted, we would have sufficient cash reserves held in instant access and short-term deposit accounts, without further measures being put into place to support the charity until at least 31 December 2026. 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.

Principle risks and uncertainties

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

The People and Governance Committee considers and oversee people related plans, and risks, as well as reviewing and recommending 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 as well as emerging in-year issues, are a standing item on the agendas of each meeting of the Board and all Committees and the Senior Leadership Team.

Health in Mind Risk Register 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 gives a snapshot picture of organisational risks. The risk register is reviewed regularly through the governance and management structure, as set out above.

The Trustees consider amongst the most significant strategic risks to the organisation to be those arising from external changes relating to the wider economic environment, which may have an adverse impact on the funding bodies with whom we contract, our service delivery, development, reputation or income, specifically:

- Organisational flexibility/ sustainability to survive significant reductions in statutory funding
- Lack of accessible accommodation to meet needs

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

- Review of existing service and core delivery models and costs.
- Recruitment of a Head of Business Development to seek new funding opportunities aligned to the 2023/28 'Sharing Hope' organisational strategy.
- From 2025, publishing impact reports demonstrating the value and outcomes of Health in Mind contracted services.
- Adoption and implementation of an organisational approach for involvement, engagement and co-design with people accessing services, volunteers and staff.
- During 2025, identify and secure suitable premises in Edinburgh and Midlothian.

Trustees continue to monitor the organisation's exposure to cyber security threats, recognising the growing risks posed by potential cyber attacks. A range of mitigating actions have been implemented, including Cyber Essentials accreditation, staff awareness raising, and enhanced technical safeguards, to ensure the organisation remains resilient and protected.

Reference and administration

Trustees

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

Registration numbers

Charity registration number	SC004128
Company registration number	SC124090

Auditor

CT Audit Limited
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland
104 George Street
Edinburgh
EH2 3DF

Flagstone Group Ltd
Clareville House
26-27 Oxendon Street
London, SW1Y 4EL

Solicitors

Balfour + Manson
54-66 Frederick Street
Edinburgh
EH2 1LS

Work Nest
Thistle House
18 Thistle Street
Edinburgh, EH2 1DF

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 directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as Trustees. The Trustees are the members of the Charity and their liability is limited to £1 each.

The Trustees serving during the year and since the year end are detailed on page 13.

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. The Board meets four times a year and is supported by two Committees: Finance and Risk and People and Governance. These committees have no executive authority instead make recommendations to the Board for approval.

Day to day management is delegated to the Chief Executive. A Senior Leadership Team has been appointed to support the Chief Executive and comprises Depute Chief Executive (until 30 September 2025), Director of Operations (from 30 June 2025), Head of Services and Improvement, Head of Business Development (from 1 October 2025), and Head of Finance.

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 and Governance Committee in consultation with the Finance and Risk 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. Our overall approach to Executive remuneration is based on the key principles of fairness, competitiveness, and sustainability.

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 29 September 2025 and signed on their behalf by

JC Donnelly

Jennifer Donnelly
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 2025 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 2025, 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 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.

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.

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

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.

Responsibilities of Trustees
As explained more fully in the statement of Trustees' responsibilities set out on page 15 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:

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and considered the risk of acts by the charitable company which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

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.

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Auditor's responsibilities for the audit of the financial statements (Continued)
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.

8 October 2025

Jeremy Chittleburgh CA (Senior Statutory Auditor)
For and on behalf of
CT Audit Limited
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh, EH3 6NL

CT Audit Limited 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 2025

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2025 Total £	2024 Total £
Income and endowments from:						
Donations and legacies	3	25,433	-	-	25,433	36,157
Charitable activities	4	1,019,279	-	7,866,715	8,885,994	9,099,908
Other trading activities	5	55,639	-	-	55,639	55,565
Investment income	6	35,596	-	24,000	59,596	58,362
Total income		1,135,947	-	7,890,715	9,026,662	9,249,992
Expenditure on:						
Raising funds	7	(83,908)	-	-	(83,908)	(125,350)
Charitable activities	8	(1,019,261)	(400)	(7,941,053)	(8,960,714)	(9,037,701)
Total expenditure		(1,103,169)	(400)	(7,941,053)	(9,044,622)	(9,163,051)
Net income/(expenditure) before gains and losses on investments	9	32,778	(400)	(50,338)	(17,960)	86,941
Loss on investment assets		-	-	-	-	-
Net income/(expenditure) before transfers		32,778	(400)	(50,338)	(17,960)	86,941
Gross transfers between funds	20,21,22	(37,781)	40,000	(2,219)	-	-
Other recognised gains						
Actuarial losses on defined benefit pension schemes	25	-	-	(19,000)	(19,000)	(24,000)
Net (expenditure)/income and net movement in funds		(5,003)	39,600	(71,557)	(36,960)	62,941
Reconciliation of funds						
Total funds brought forward		941,920	85,618	184,264	1,211,802	1,148,861
Total funds carried forward	20,21,22	936,917	125,218	112,707	1,174,842	1,211,802

The notes on pages 22 to 42 form an integral part of these financial statements.

Health in Mind
Balance sheet
as at 31 March 2025

	Notes	2025 £	 £	2024 £	 £
Fixed assets					
Tangible assets	16		64,213		58,129
			64,213		58,129
Current assets					
Debtors	17	247,916		261,675	
Cash at bank and in hand		2,616,524		2,364,555	
		2,864,440		2,626,230	
Creditors: amounts falling due within one year	18	(1,753,811)		(1,472,557)	
Net current assets			1,110,629		1,153,673
Total assets less current liabilities			1,174,842		1,211,802
Net assets			1,174,842		1,211,802
Funds					
Unrestricted funds	20		936,917		942,522
Pension fund	20,26		-		(602)
Designated funds	21		125,218		85,618
Restricted funds	22		112,707		184,264
			1,174,842		1,211,802

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 29 September 2025 and signed on its behalf by

JC Donnelly

Jennifer Donnelly
Trustee

Company number: SC124090

The notes on pages 22 to 42 form an integral part of these financial statements.

Health in Mind
Statement of cash flows
for the year ended 31 March 2025

	2025 £	2024 £
Net (expenditure)/income for the reporting year (as per the Statement of Financial Activities)	(36,960)	62,941
Adjustments for:		
Depreciation charges	26,979	26,796
Losses on disposal of fixed assets	2,482	1,536
Dividends and interest from investments	(35,596)	(33,362)
Decrease in debtors	13,759	2,570
Increase in creditors	281,254	89,035
Net cash provided by operating activities	251,918	149,516
Cash flows from investing activities		
Dividends and interest from investments	35,596	33,362
Proceeds from sale of equipment	119	78
Purchase of equipment	(35,664)	(4,086)
Net cash provided by investing activities	51	29,354
Change in cash and cash equivalents in the reporting period	251,969	178,870
Cash and cash equivalents at the beginning of the reporting period	2,364,555	2,185,685
Cash and cash equivalents at the end of the reporting period	2,616,524	2,364,555
Analysis of cash and cash equivalents		
Cash in hand	2,616,524	2,364,555
	2,616,524	2,364,555

The notes on pages 22 to 42 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 13. 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 financial statements. 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, after preparing budgets and a reverse stress testing cashflow forecasts for the 21 months to December 2026. During that period approximately 31% of grant and service income is secured for at least 21 months, when excluding In Care Alliance contracts. Our worst-case scenario therefore assumes that certain SLAs up for renewal in that time period, will not be renewed or funding cuts will be applied. Income from fundraising and income generation remains flat. 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 2.1% and 4.4% respectively, in the nine months to 31 December 2026, resulting in a forecast deficit representing 11.7% of free reserves held as at 31 March 2025 of £872,772.

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 11 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 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.

1.6 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.

1.6 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 25.

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 26. 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 4.98% (2024: 4.90%). The unwinding of the discount rate is recognised as a finance cost.

1.7 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 25 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 2.1% 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 27, 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

	2025 £	2024 £
Unrestricted donations	25,433	36,157

4 Income from charitable activities

		2025 £	2024 £
Scottish Government grants	Trauma Counselling Line Scotland	52,725	115,260
	Future Pathways	4,766,479	4,947,590
	Redress Support	1,482,702	1,358,711
	Community Mental Health & Wellbeing Fund	43,342	66,729
	Historic Adoption Peer Support	47,131	39,956
	Improvement Fund	43,805	51,488
	Self Managed Fund: Resiliance, Recovery and Development	27,669	13,541
		6,463,853	6,593,275
Service income	City of Edinburgh Council	686,638	728,376
	Midlothian Council	595,835	590,205
	Borders Council	125,000	265,000
	NHS Lothian	309,879	275,358
	West Lothian Council	81,381	66,950
Big Lottery Fund		3,427	298
National Lottery Community Fund		185	-
Other grants		112,222	108,274
Other earned income		507,574	472,172
		8,885,994	9,099,908

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 18.

4 Income from charitable activities (continued)

	2025	2024
	£	£
Unrestricted funds	1,019,279	1,080,076
Restricted funds	7,866,715	8,019,832
	8,885,994	9,099,908

Analysis of charitable income by activity or programme:

	2025	2024
Trauma support and training	6,865,316	6,884,570
Counselling and talking therapies	202,828	267,512
Early intervention and community based support	1,817,850	1,947,826
	8,885,994	9,099,908

5 Income from other trading activities

	2025	2024
	£	£
Fundraising events	55,639	55,565
Unrestricted funds	55,639	55,565

6 Investment income

	2025	2024
	£	£
Interest received	35,596	33,362
Interest on pension scheme	24,000	25,000
	59,596	58,362
Unrestricted funds	35,596	33,362
Restricted funds	24,000	25,000
	59,596	58,362

7 Analysis of expenditure on raising funds

	2025	2024
	£	£
Employment costs	49,916	80,559
Direct expenditure on raising funds	11,323	9,403
Support costs (note 11)	22,669	35,388
	83,908	125,350
Unrestricted funds	83,908	125,350

8 Analysis of expenditure on charitable activities

	2025	2024
	£	£
Employment costs	4,329,788	4,332,838
Projects and activities costs	3,976,483	4,101,661
Recruitment, travel, supervision & training costs	129,604	97,391
Premises costs	211,746	180,665
Running costs	262,952	248,144
Legal and professional fees	9,255	37,427
Bad debt write off	200	100
Depreciation	26,451	25,960
Interest on pension scheme	-	110
Governance costs		
Audit	14,059	13,247
AGM and Trustee meetings	176	158
	8,960,714	9,037,701
Unrestricted funds	1,019,261	1,028,300
Designated funds	400	2,430
Restricted funds	7,941,053	8,006,971
	8,960,714	9,037,701

9 Net income before gains and losses on investments:

	2025	2024
	£	£
Net income is stated after charging:		
Depreciation and other amounts written off tangible assets	26,979	26,796
Loss on disposal of fixed assets	2,482	1,536
Operating lease rentals		
- Plant and machinery	1,811	2,013
- Land and buildings	84,404	84,110
Auditor's remuneration	14,340	13,674

10 Analysis of charitable expenditure by activity

Year ended 31 March 2025

Activity or Programme	Activities undertaken directly £	Support costs (note 11) £	2025 Total £
Trauma support and training	6,361,278	565,333	6,926,611
Counselling and talking therapies	186,608	36,208	222,816
Early intervention and community based support	1,437,749	373,538	1,811,287
	7,985,635	975,079	8,960,714

Prior year

Activity or Programme	Activities undertaken directly £	Support costs (note 11) £	2024 Total £
Trauma support and training	6,403,407	515,426	6,918,833
Counselling and talking therapies	221,707	46,790	268,497
Early intervention and community based support	1,429,502	420,869	1,850,371
	8,054,616	983,085	9,037,701

11 Analysis of support costs

Year ended 31 March 2025 Activity or programme	Staff costs £	Property costs £	Office running costs £	Legal & consult'cy fees £	Govern'ce costs £	2025 Total £
Raising funds	11,091	5,718	5,453	123	284	22,669
Trauma support and training	314,534	81,177	154,011	6,737	8,874	565,333
Counselling and talking therapies	16,108	11,413	7,888	345	454	36,208
Early intervention and community based support	173,887	105,878	85,143	3,724	4,906	373,538
	515,620	204,186	252,495	10,929	14,518	997,748

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 £	2024 Total £
Raising funds	17,381	6,857	9,257	1,461	432	35,388
Trauma support and training	273,006	77,135	143,404	14,534	7,347	515,426
Counselling and talking therapies	20,688	13,577	10,867	1,101	557	46,790
Early intervention and community based support	200,036	99,726	105,074	10,650	5,383	420,869
	511,111	197,295	268,602	27,746	13,719	1,018,473

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

12 Employees

	2025 Number	2024 Number
The average monthly number of employees during the year was:		
Service delivery	121	125
Support staff	14	14
	135	139
The average full time equivalent number of employees was:	111	115

13 Employment costs

	2025 £	2024 £
Wages and salaries (including agency fees)	3,886,208	3,953,750
Social security costs	374,891	379,605
Pension costs	97,320	97,423
Pension scheme interest	-	110
Redundancy costs	32,376	-
	4,390,795	4,430,888

The number of staff whose emoluments for the year fell within the following bands were:	2025 Number	2024 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	2	1

Redundancy costs arose on the closure of our Telephone Counselling Line Scotland service in September 2024 and subsequent restructuring of couselling services. Further redundancy costs were incurred upon the closure of our Borders Social Prescribing service, when funding ended in November 2024 as scheduled, and the ending of our Trauma Training provision, following review by the Board in 2024/25.

Costs are recognised when closure or restructuring was confirmed and the amount quantifiable. Costs recognised of £32,376 are all within the year and no amounts are outstanding at 31 March 2025 (2024: £nil).

14 Remuneration of key management personnel

	2025 £	2024 £
Total employee benefits paid to key management personnel	155,490	149,556

The key management personnel comprises the Chief Executive and Depute Chief Executive.

15 Trustees' emoluments and other transactions with trustees

None of the trustees received any remuneration and no expenses (2024: £nil) were reimbursed for attendance at Board meetings. In 2023/24, a trustee was reimbursed £22 towards the cost of attending the organisation's strategy launch in April 2023.

There were no other related party transactions in the year (2024: £nil).

16 Tangible fixed assets

	Computer equipment £	Office equipment £	Office furniture £	Total £
Cost				
At 1 April 2024	162,093	7,624	4,033	173,750
Additions	33,738	1,926	-	35,664
Disposals	(32,541)	(848)	-	(33,389)
At 31 March 2025	163,290	8,702	4,033	176,025
Depreciation				
At 1 April 2024	104,798	6,790	4,033	115,621
Charge for the year	26,270	709	-	26,979
Disposals	(30,336)	(452)	-	(30,788)
At 31 March 2025	100,732	7,047	4,033	111,812
Net book values				
At 31 March 2025	62,558	1,655	-	64,213
At 31 March 2024	57,295	834	-	58,129

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

17 Debtors

	2025 £	2024 £
Grant and service fee debtors	136,516	85,343
Prepayments and accrued income	111,400	176,332
	247,916	261,675

18 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	220,362	126,896
Other taxes and social security costs	103,888	138,569
Other creditors	22,501	21,525
Accruals and deferred income	1,407,060	1,185,567
	1,753,811	1,472,557

Other creditors include £nil due in respect of pension contributions (2024: £602).

Movement in deferred income	2025 £	2024 £
Balance at 1 April 2024	997,068	861,721
Released in the year	(975,430)	(759,573)
Deferred	1,299,102	894,920
Balance at 31 March 2025	1,320,740	997,068

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.

19 Analysis of net assets between funds

Fund balances at 31 March 2025 as represented by:	Unrestricted funds £	Pension funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	64,145	-	-	68	64,213
Current assets	2,626,583	-	125,218	112,639	2,864,440
Current liabilities	(1,753,811)	-	-	-	(1,753,811)
	936,917	-	125,218	112,707	1,174,842

Fund balances at 31 March 2024 as represented by:	Unrestricted funds £	Pension funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	52,078	-	-	6,051	58,129
Current assets	2,362,399	-	85,618	178,213	2,626,230
Current liabilities	(1,471,955)	(602)	-	-	(1,472,557)
	942,522	(602)	85,618	184,264	1,211,802

20 Unrestricted funds

	1 Apr '24 £	Income £	Expend-iture £	Transfers £	31 Mar '25 £
General funds	942,522	1,135,947	(1,103,771)	(37,781)	936,917
Unrestricted pension reserve	(602)	-	602	-	-
	941,920	1,135,947	(1,103,169)	(37,781)	936,917

Transfers

The majority of transfers from the general reserve to the restricted reserve were made to cover deficits incurred in the year. In addition, £40,000 was transferred from general funds to the Office refurbishment designated fund. In 2024, £15,916 was transferred from desginated funds following the closure of the Voice over Internet Protocol (VoIP) implementation fund.

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.

Prior year	1 Apr '23 £	Income £	Expend-iture £	Transfers £	31 Mar '24 £
General funds	897,694	1,205,160	(1,157,050)	(3,282)	942,522
Unrestricted pension reserve	(4,002)	-	3,400	-	(602)
	893,692	1,205,160	(1,153,650)	(3,282)	941,920

21 Designated funds

	1 Apr '24	Expend-iture	Transfers	31 Mar '25
	£	£	£	£
Office refurbishment	75,900	-	40,000	115,900
Engagement fund	9,718	(400)	-	9,318
	85,618	(400)	40,000	125,218

Office refurbishment

The Office refurbishment designated fund was established to set aside funds for redecoration of Shandwick Place and the possible future move to other offices, when the lease was renewed in May 2018. The Shandwick Place lease was extended in May 2023 until May 2032, and the fund subsequently expanded to cover all leased premises.

During the year, £40,000 was tranferred from general funds to the Office refurbishment designated fund in anticipation of refurbishment and relocation costs in 2025/26 and 2026/27 (2024: £nil).

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 was open to all Health in Mind services and staff were encouraged to submit applications. In 2024, Board approved the transfer of the remaining balance of £9,838 to the new Engagement designated fund.

Engagement fund

In 2024, Board approved the creation of the Engagement designated fund, redesignating the funds held in the service user activity fund. The purpose of the Engagement fund is to provide a stipend for people accessing support who take part in regular co-production activies.

VoIP implementation fund

The VoIP implementation fund was created by the Board to set aside funds for implementation and project management costs associated with the replacement of our telephone system with a VoIP system. The project commenced in late 2022/23 and was completed in 2024, with the balance of £15,916 returned to general funds and the designated fund was closed.

Prior year	1 Apr '23	Expend-iture	Transfers	31 Mar '24
	£	£	£	£
Office refurbishment	75,900	-	-	75,900
Service user activity fund	9,838	-	(9,838)	-
Engagement fund	-	(120)	9,838	9,718
VoIP implementation fund	18,226	(2,310)	(15,916)	-
	103,964	(2,430)	(15,916)	85,618

22 Restricted funds	**1 Apr '24**	**Income**	**Expend- iture**	**Transfers**	**Actuarial loss**	**31 Mar '25**
	£	**£**	**£**	**£**	**£**	**£**
Midlothian Services	18,861	646,193	(584,511)	(16,011)	-	64,532
Midlothian pension reserve	-	-	-	19,000	(19,000)	-
Midlothian service user funds	933	-	-	-	-	933
Big Lottery (Social Prescribing)	-	3,427	(3,427)	-	-	-
Webspace (East/Mid/West/iThrive)	26,135	158,988	(145,750)	(853)	-	38,520
TCLS (Helpline)	1,437	52,725	(65,372)	11,210	-	-
Future Pathways	1,625	5,213,609	(5,194,562)	(19,047)	-	1,625
Redress Support	-	1,497,400	(1,497,400)	-	-	-
Bridge to Support	130	(130)	-	-	-	-
Community Mental Health & Wellbeing Fund	-	43,342	(46,858)	3,516	-	-
Paths for All	-	10,418	(10,418)	-	-	-
Historic Adoption Peer Support	1,753	47,131	(44,968)	-	-	3,916
Improvement Fund	-	43,805	(44,401)	596	-	-
National Lottery Trauma Support Service	-	185	(185)	-	-	-
Borders Services	126,540	125,000	(249,252)	-	-	2,288
Scottish Borders Peer Support Groups - social funds	799	-	-	-	-	799
SMF: Resilience, Recovery and Development	-	27,669	(27,892)	223	-	-
Thrive Collective Learning Partnership	-	20,582	(19,703)	(853)	-	26
Veterans Online Platform	-	371	(371)	-		-
Donations - IT	6,051	-	(5,983)	-	-	68
	184,264	7,890,715	(7,941,053)	(2,219)	(19,000)	112,707

22 Restricted funds (continued)

Prior year	1 Apr '23	Income	Expend-iture	Transfers	Actuarial loss	31 Mar '24
	£	£	£	£	£	£
Midlothian Services	19,375	641,638	(636,532)	(5,620)	-	18,861
Midlothian pension reserve	-	-	-	24,000	(24,000)	-
Midlothian service user funds	5,137	-	(4,204)	-	-	933
Big Lottery (Social Prescribing)	3,352	298	(3,650)	-	-	-
Webspace (East/Mid/West/iThrive)	24,988	123,078	(121,931)	-	-	26,135
TCLS (Helpline)	-	115,260	(113,823)	-	-	1,437
Future Pathways	2,106	5,345,529	(5,341,924)	(4,086)	-	1,625
Redress Support	-	1,377,176	(1,377,176)	-	-	-
Bridge to Support	127	291	(288)	-	-	130
Community Mental Health & Wellbeing Fund	-	66,292	(69,312)	3,020	-	-
Cycling Scotland	-	3,023	(3,023)	-	-	-
Paths for All	-	1,810	(1,810)	-	-	-
Greenspaces Pathfinder	-	15	(15)	-	-	-
Historic Adoption Peer Support	-	39,956	(38,203)	-	-	1,753
Improvement Fund	-	50,932	(52,778)	1,846	-	-
MCAN Seedcorn Fund	-	993	(995)	2	-	-
Borders Services	82,877	265,000	(221,337)	-	-	126,540
Scottish Borders Peer Support Groups - social funds	799	-	-	-	-	799
SMF: Resilience, Recovery and Development	-	13,541	(13,541)	-	-	-
Donations - IT	12,332	-	(6,281)	-	-	6,051
Donations - Other	112	-	(148)	36	-	-
	151,205	8,044,832	(8,006,971)	19,198	(24,000)	184,264

Midlothian Services

Health in Mind operate a number of community mental health and wellbeing services in Midlothian, including Access Point Midlothian and Recovery and Justice Support. These services are primarily funded by Midlothian Council, along with East Lothian Council and the Midlothian Health and Social Care Partnership.

Access Point Midlothian is a service open to people 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.

Recovery and Justice Support is a Midlothian peer support service for people aged 18 and over with substance use problems. The service is partially funded by Midlothian Council and the Scottish Government's Improvement Fund.

22 Restricted funds (continued)

Midlothian Services (continued)
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 Midlothian Health and Social Care Partnership.

Midlothian 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 25.

Midlothian service user fund
The service user fund set aside funds raised by users of Midlotian services for initiatives and activities to benefit service users in Midlothian. Decision making over expenditure is overseen by the Advisory Group, made up of service users. £nil was spent in the year funding a Green and Active post (2024: £4,204).

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. Funding ended in December 2022, however support of existing service users has been extended, utilsing restricted funds brought forward. The balance remaining balance of £3,427 was utilised during the year to deliver counselling services to those already registered with the social prescribing service.

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. The transfer from restricted to unrestricted funds represents capital expenditure in the year.

TCLS Helpline
TCLS, Trauma Counselling Line Scotland, was a national telephone counselling service for people 16 or over, living in Scotland, who have experienced abuse in their childhood. The service focused on supporting people living in remote/rural areas, minority ethnic communities and those with disabilities. The service closed in September 2024, when Scottish Government funding came to an end.

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

Redress Support
Redress Support Service, funded by the Scottish Government, offers help and support to people applying for redress as survivors of historic child abuse in care, in Scotland.

Bridge to Support
Bridge to Support was a service supporting people who were abused by the Jesuits and their staff, funded by the Jesuits. The service closed in March 2023, however the website continued to be maintained until March 2024. £130 was returned to the Jesuits in 2025, settling the modest 2024 underspend.

22 Restricted funds (continued)

Community Mental Health & Wellbeing Fund

A grant was received from the Scottish Government's Community Mental Health and Wellbeing Fund for a one year pilot of peer connecting service for the minority enthnic community, offering one to one and group support to people over 18 living in East Lothian. Funding for a second year was subsequently confirmed, extending the service to September 2024. The funds were administered by Volunteer Centre East Lothian.

In 2023/24, a seperate grant was received from the Fund, allowing us to expand our peer support services to the minority enthic community in Midlothian to September 2024. The grant was administered by Midlothian Voluntary Action, part of Midlothian Third Sector Interface.

The Fund also enabled us to continue our Social Prescribing service in the Scottish Borders, for a further two years to November 2024. This grant was administered by Third Sector Dumfries and Galloway.

We also received a micro grant from the Fund in 2024, to fund service users participation in Street Soccer tournaments, followed by post-match Listening Space groups for the 18 month period to September 2024. This grant is also administered by Midlothian Voluntary Action.

Cycling Scotland

A grant was received from Cycling Scotland in August 2018. The grant was for capital and revenue funding to support the aims of the Cycle Friendly Community Development Fund in Midlothian. In February 2022, Cycling Scotland approved a new proposal to utilise the remaining funds. £1,080 was spent in 2024, with the remaining balance returned ending the project.

A seperate grant was received in July 2022 from their Cycling Friendly Community Fund to fund the purchase of bikes and Peer Worker post. £1,943 was spent in 2024, with the balance returned.

Paths for All

A grant was received in December 2023, from Path for All's Smarter Choices, Smaller Spaces Open Fund, funding Green and Active peer workers in Midlothian. £10,418 was spent in the year (2024: £1,810), concluding the one year project in December 2024.

Greenspaces Pathfinder

In 2021/22 a grant was received from Edinburgh and Lothians Health Foundation for participation in the Midlothian Green Social Prescribing Pathfinder project. £nil was spent in the year (2024: £15), concluding the project.

Historic Adoption Peer Support

Funded by the Scottish Government, we have developed a one to one and group peer support service to people affected by Scotland's historic or forced adoption practices in the 1950-80's. The service commenced during the year, offering support to mothers and adult adoptees. We also welcome enquries from fathers and other family members. This is a Scotland wide service.

Improvement Fund

Funded by the Scottish Government's Improvement Fund, the grant was awarded to support the delivery of a rapid response service in partnership with the Midlothian Substance Misuse Team and to facilitate group work in homeless hostels. This complements our Recovery and Justice Support services in Midlothian. The grant is administered by the Corra Foundation.

22 Restricted funds (continued)

Midlothian Climate Action Network Seedcorn Fund (MCAN Seedcorn Fund)
A grant of £993 was received in January 2024 to purchase outdoor equipment and training to run Branching Out courses in Midlothian and was fully expended in 2024. The grant was administered by Midlothian Voluntary Action.

National Lottery Trauma Support Service
New short-term trauma support service, commencing in April 2025. Funded by The National Lottery Community Fund, the service is for adults in Edinburgh who have experienced childhood abuse. The support will be delivered in both one-to-one sessions, with trained staff and a peer support group. 2024 expenditure relates to recruitment of the new post.

Borders Services
Health in Mind operate a number of community mental health and wellbeing services in the Scottish Borders, including peer connecting, listening spaces, groups and workshops. These services are funded by Scottish Borders Council.

During the year, historic underspends accumulated and held as restricted reserves brought forward with the funders permission, were returned to Scottish Borders Council.

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 (2024: £nil). Plans are in place in utilise these funds in 2025/26.

SMF: Resilience, Recovery and Development Fund
The Scottish Government's Self Managed Fund, funds our peer connecting service Equally Connected West Lothian. The service is for people from enthic miniority communities and seeks to help create social networks to reduce loneliness and isolation and offers peer support groups. The grant is adminstered by the Alliance.

Thrive Collective Learning Partnership
Funded by NHS Lothian, to create and sustain a Thrive Collective Learning Partnership with commissions collaboratives of Edinburgh Thrive, with a focus on reporting on delivery, impact and learning. The service commence in October 2024.

Veterans' Website
To help The Scottish Veterans Wellbeing Alliance, achive its aims, we will manage the development of a public-facing online mental health and wellbeing website, for veterans across Scotland. The design and content will be co-designed by veterans, their families and those providing support and services. The project commenced in April 2025, with 2024 cost reflecting initial start up and recruitment costs of this new service.

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.

22 Restricted funds (continued)

Donations - Other

In 2022/23, £395 was received from CAPS Independent Advocacy to contribute towards the cost of art materials costs linked to people taking part in the Out of Sight Out of Mind (OOSOOM) exhibition in October 2022. £283 was spent in 2022/23. The balance of £112 was spent on the 2023 exhibition, with the funders permission.

23 Operating lease commitments

	2025	2024
	£	£
Amounts falling due:		
Within one year	64,451	73,880
Within two to five years	9,965	73,340
	74,416	147,220

During the year, the lease at 40 Shandwick Place was renewed until May 2032, with an initial break date of May 2026. The minium commitment during this period is £61,875.

24 Financial instruments

	2025	2024
	£	£
The charity's financial instruments may be analysed as follows:		
Financial assets		
Financial assets measured at fair value through profit or loss	-	-
Financial assets that are debt instruments measured at amortised cost	2,787,104	2,528,180
Financial liabilities		
Financial liabilities measured at amortised cost	(347,493)	(377,215)
Financial liabilities measured at fair value	-	(602)

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.

25 Defined benefit pension scheme

The charity provides pension arrangements to certain 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 £nil (2024: £4,000) and the employers' contribution rate was 0% (2024: 19.6%). A valuation of the scheme on an FRS102 basis as at 31 March 2025 was carried out by independent actuaries.

Analysis of amount charged to Statement of Financial Activities	**2025**	**2024**
	£	**£**
Current service cost	5,000	5,000
Total amount charged	5,000	5,000
Interest on pension scheme assets	(72,000)	(71,000)
Interest on pension scheme liabilities	48,000	46,000
Net finance return	(24,000)	(25,000)
Actuarial gain/(loss)	95,000	(37,000)
Restriction of scheme surplus	(114,000)	13,000
Net actuarial loss recognised	(19,000)	(24,000)

Changes in present value of scheme obligation during the year	**2025**	**2024**
	£	**£**
At 1 April	1,025,000	996,000
Current service cost	5,000	5,000
Interest cost	48,000	46,000
Member contributions	1,000	1,000
Benefits paid	(50,000)	(47,000)
Actuarial gain due to changes in assumptions	(116,000)	(41,000)
Actuarial (gain)/loss due to experience	(10,000)	65,000
At 31 March	903,000	1,025,000

Changes in the value of plan assets during the year	**2025**	**2024**
	£	**£**
At 1 April	1,525,000	1,509,000
Interest on assets	72,000	71,000
Member contributions	1,000	1,000
Employer contributions	-	4,000
Benefits paid	(50,000)	(47,000)
Actuarial (loss)/gain on plan assets	(31,000)	20,000
Actuarial (loss) due to experience	-	(33,000)
At 31 March	1,517,000	1,525,000
Net closing asset at 31 March	614,000	500,000
Restriction in recognition of scheme surplus	(614,000)	(500,000)
Pension scheme asset	-	-

25 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	**2025**	**2024**
	£	**£**
Equities	1,046,730	1,082,750
Bonds	288,230	259,250
Property	121,360	122,000
Cash	60,680	61,000
Total plan assets	1,517,000	1,525,000
Actual return on plan assets	42,476	93,025

The main assumptions used by the actuary are:	**2025**	**2024**
	%	**%**
Rate of increase in salaries	2.10	2.10
Rate of increase in pensions in payment	2.80	2.80
Discount rate	5.80	4.80
Inflation assumption	2.80	2.80
Mortality rates		
- for a male aged 65 now	19.2 yrs	19.3 yrs
- at 65 for a male member aged 45 now	21.1 yrs	21.2 yrs
- for a female aged 65 now	23.5 yrs	23.5 yrs
- at 65 for a female member aged 45 now	25.4 yrs	25.4 yrs

As explained in note 2, Judgements and Estimates, the Trustees consider that it is reasonable to assume a rate of salary increase of 2.1%. 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.

26 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 (2024: £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 77 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.

26 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 2023. This actuarial valuation was certified on 27 June 2024 and showed assets of £86.2m, liabilities of £88.2m and a deficit of £2.0m. From 1 June 2024 the majority of employers no longer pay deficit contributions.

Some employers have agreed concessions (both past and present) with the Trustee and have contributions up to 28 February 2034.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m. To eleminate this funding shortfall, the Trustees asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 May 2024:	£1,473,969 per annum (payable monthly and increasing by 3% each year 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	**2025** **£**	**2024** **£**	**2023** **£**
Present value of provision	-	602	4,002

Reconciliation of opening and closing provisions

	2025 **£**	**2024** **£**
Provision at start of period	602	4,002
Unwinding of the discount factor (interest expense)	-	114
Deficit contribution paid	(602)	(3,514)
Provision at end of period	-	602

	2025 **£**	**2024** **£**
Amount payable falling due in less than one year	-	602
	-	602

26 Retirement benefit obligations (continued)

Income and expenditure impact	2025 £	2024 £
Interest expense	-	114

Assumptions	2025	2024	2023
Rate of discount (% per annum)	4.98	4.90	5.40

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

Year ending	2025 £	2024 £	2023 £
Year 1	-	602	3,514
Year 2	-	-	603

27 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 2024. As of this date the estimated employer debt for Health in Mind was £48,330 (2023: £47,969).

Health in Mind is party to operating leases in respect of our business premises. No provisions have been made for dilapidations at the year end, on the basis that obligations cannot be measured with sufficient reliability.

28 Analysis of changes in net debt

	1 Apr '24 £	Cash flows £	31 Mar '25 £
Cash in hand	2,364,555	251,969	2,616,524
Finance lease obligations	-	-	-
	2,364,555	251,969	2,616,524