

Scottish Association for Mental Health

SAMH Group Report and Financial Statements

Year Ended 31 March 2022

Registered No. SC082340

Charity Registration No: SC008897

Strategic Report

The Trustees (who are also Directors for company purposes) are pleased to present the Strategic Report incorporating the Trustees' Report and the consolidated financial statements for the Group and Charity accounts for the year ended 31 March 2022.

Trustees (All Trustees serving during the year and up to the date of these financial statements are noted on page 23)

Chris Creegan	Chair
Shona Littlejohn	Vice-Chair
Ross McAdam	Treasurer
Catriona Headley	
Elizabeth Humphreys	
Jamie Kinlochan BEM	
Stephen Martin	
Rev Stuart MacQuarrie	
Graeme McAlister	
Pauline Radcliffe	
Dr Alexandra Wright	

Executive

William J Watson:	Chief Executive
Patricia A Aniello:	Director of Corporate Services/Company Secretary
Joanne Anderson:	Director of Influence and Change
Alex Cumming	Interim Director of Operations

Independent Auditor

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Glasgow G2 1DY

VAT Adviser

Grant Thornton UK LLP
8th Floor, 110 Queen Street
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Bankers

Bank of Scotland
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Solicitors

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Investment Advisers

Barclays Investment Solutions Ltd
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Sixth Floor, Atria One
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SAMH Registered Office

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The financial statements 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 Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

Strategic Report (continued)

Objectives and Activities

As detailed in the Articles of Association, updated on 18 October 2021, SAMH is established to raise awareness about and promote mental health and general welfare and to uphold and advance the interests of those citizens who experience mental health problems and their families and carers.

In furtherance of the above we will undertake to:

- Make representations with and on behalf of people with mental health problems to ensure that their rights as citizens are upheld.
- Explore new ways of developing help and support for those with mental health problems including those affected by poverty, stigma, discrimination, addictions, trauma, homelessness, abuse, other forms of exclusion and neurological or genetic conditions, all of which can be causes or consequences of mental health problems.
- Ensure that all services and facilities which are designed to promote inclusion create opportunities and enhance mental health and general welfare.
- Provide services and to promote and organise cooperation in the achievement of the above objects, within Scotland and further afield.
- Do all other such things as are charitable in law for the attainment of these objects.

Our vision: is of a society where people are able to live their lives fully regardless of present or past circumstances.

Our mission: is to lead by example; to be innovative, purposeful and challenging in all that we do. SAMH campaigns for rights and rights-based services, challenges stigma and discrimination and promotes inclusion. We work to raise the aspirations and expectations of people who use services, people who deliver services and society as a whole. We aim to promote mental health and wellbeing within community and corporate life.

Our values: we believe that everyone has the right to be treated with dignity, respect and equality. We believe that everyone is entitled to hope and choice and to achieve personal fulfilment.

Strategic Report (continued)

Organisational Achievements and Performance

Introduction

SAMH has performed exceptionally well during 2021/22 during what has been another challenging year.

We have continued to demonstrate strong resilience within a difficult external environment including increased pressures experienced within the wider charitable sector, our response to the second year of the pandemic, and being subjected to an unprecedented cyber-attack in the latter part of the year.

Despite these challenges, we have engaged with an increased number of people through our community programmes and projects, training and information resources and continue to deliver impactful and meaningful services to those who need us most. We have used our influence to achieve significant outcomes for individuals and communities across Scotland. We have also successfully developed, launched and begun implementation of our new three-year organisational strategy “We Won’t Wait” which will see SAMH continue to innovate across a number of strategic priorities and areas of focus, leading lasting change within our own organisation and more widely within mental health and wellbeing.

All of this has been made possible by the incredible commitment of our staff, strong leadership and support from our stakeholders and supporters and our sincere thanks goes to everyone who has engaged with us throughout the year.

Pandemic Response

Our contingency planning, implemented at the start of the pandemic (March 2020) continued to evolve whilst we dealt with the varying challenges around changing guidance within care and service delivery, the impact of continued restrictions on our wider engagement and fundraising, and working environments. During this time we continued to ensure the safety of our staff, service users and people who engaged with us remained the utmost priority.

Throughout 2021/22 our senior team continued to monitor a dashboard of measures and indicators in order to manage any adverse challenges relating to the current pandemic including service user incidents, staff sickness absence and Covid-19 cases. In addition, our Covid Response Group met throughout the year providing support to managers and staff, developing guidance around safe service delivery, testing, reporting and return to office bases. All services bar one remained open throughout the period delivering face-to-face and blended support, and the one service that was closed has now reopened.

Alongside our own response to the pandemic, we engaged positively in the Scottish Government Mental Health Stakeholder Group which continued to bring together a number of statutory and third sector representatives to work collaboratively to respond to the continued challenges being faced. We also extended two pieces of research that had begun in 2020 to better understand the long-term impact of the pandemic: our research report *Forgotten* focused on the experiences of people with pre-existing mental health conditions, and our UK wide research in partnership with the University of Glasgow and Samaritans. Final reports of both these research programmes have been received and plans are being put in place to utilise the learning / publish findings.

Cyber-Attack

In March 2022, SAMH was the subject of a sophisticated cyber-attack that affected our network and resulted in the release of data from certain shared drives to the dark web although none of the core HR, Finance, Service User or Fundraising systems were impacted by the attack. On discovery, we immediately shut down

Strategic Report (continued)

access to our cloud-based systems and databases which were not part of the breach. Management immediately contacted Police Scotland, OSCR and the Information Commissioners Office (ICO).

Following the attack, an Emergency Management Team was set up and business continuity arrangements were immediately enacted. Within days of the attack we sought advice from multi-agency partners, including the Scottish Government, cyber security experts and other public bodies to support our response, which was focused on remediation, recovery and communication. At all times we weighed up the impacts on our staff, our service users, donors, volunteers and other groups we work with. During the initial recovery phase we worked to clear priorities: providing ongoing services to our service users, keeping all impacted groups informed and determining what data had been exfiltrated and communicating with the impacted data subjects.

Communication to impacted data subjects has been completed and we have been able to fully recover our systems into a safe environment with additional controls and procedures added to mitigate against further attacks. Risk assessments have been completed on our data protection and IT security procedures and, in addition to the immediate additional controls and enhancements already put in place, we have developed action plans to further enhance practices in both these areas. These action plans focus on a number of areas including increasing prevention controls, enhancing monitoring tools, improving further existing training modules and increasing general awareness of IT security and data protection issues. Work on the actions plans is already underway and is expected to continue for the remainder of 2022. The risk register has been updated to reflect these action plans and the mitigating actions, both completed and in progress.

Police Scotland have informed us their investigation has concluded. Since the attack we have been in regular communication with the ICO and their investigation is ongoing. We have responded to all ICO questions within requested timelines and will continue to fully support their investigation. It is normal practice for the ICO to issue an incident report when their investigation has concluded. Should the ICO issue a report management will fully review this and any accompanying recommendations.

Strategy 2021-24

Overview

Despite the challenges of the external environment, we continued to develop and launch our new three-year strategy 'We Won't Wait'. https://www.samh.org.uk/documents/SAMH_Strategy-We_Wont_Wait.pdf
Our new strategy focuses on three strategic priorities and four areas of focus:

Strategic Priorities:

Psychological Wellbeing
(Therapeutic)

Suicide Prevention

Care and Support (Delivery)

Areas of Significant Focus:

Workplace

Anti-Stigma and
Discrimination / Anti-
Bullying

Physical Activity and
Sport

CYP

Strategic Report (continued)

Targeted Investments:			
Psychological Wellbeing (therapeutic)	Suicide Prevention	Workplace	Digital

Following the development of our priorities and areas of focus, our Strategy Planning Group spent a significant amount of time developing our strategic principles, goals, ambitions and outcome statements for the strategy to ensure they were ambitious, tangible and achievable.

Another important element in order to deliver our strategic objectives was to focus on structure. In early 2021 following a significant review, the Executive Team was restructured and reorganised, adding an additional Director level post added with responsibility for Strategic and Business Development. Subsequently the next level of senior management was restructured and expanded with the investment in 6 additional posts. In addition to the senior structure, in order to achieve the ambition of the strategy and to support the wider implementation, a dedicated Strategy Implementation and Development Manager was recruited.

Key learning from the previous strategy included the need for collective leadership and ownership at a senior level to ensure it was fully embraced and cascaded throughout the organisation. As the strategy was developed and reaching launch and implementation stage, the pre-existing Strategy Planning Group was replaced by a new Senior Management Group, the next most senior level within the structure.

Following an extensive exercise to build the strategy narrative, and supported by a series of creative assets, the new 2021-2024 SAMH Strategy - *We Won't Wait* was officially launched during mental health awareness week in October 2021. Activity included: internal preview prior to public launch; communication with circa 15,000 supporters; promotion across SAMH digital platforms with circa 81,000 followers; and promotion via stakeholders and partners who in turn shared with their audiences including Sportscotland and STV. In the first two weeks of the launch (1-14 October) it achieved 50,000+ impressions and over 1,100 engagements online.

Strategy Implementation Approach

Our approach is underpinned by a strategic framework which comprises three strands to delivering our strategy: three-year strategy implementation plan; strategy implementation groups and change management programme.

As part of the Strategy Framework, the key vehicle for delivering our strategy was the creation of Strategy Implementation Groups (SIGs) for each of our strategic priorities (Psychological Wellbeing, Suicide Prevention and Care and Support). Each SIG is responsible for phasing strategic outcomes over the duration of the strategy, considering requirements of the Change Management Programme (CMP), resources and potential investments. A similar exercise will be undertaken by the leads for the four Areas of Focus (Children and Young People, Physical Activity and Sport, Workplace, and Anti-stigma and Anti Bullying) throughout 2022/23.

The key priorities for the performance monitoring and reporting approach is to provide a streamlined reporting process which can be used for multiple purposes; providing continuous monitoring of performance with better coordination and integration of resources; and dynamic / proactive responses and actionable steps taken early where and when required. Quarterly performance updates are shared with Trustees with a yearly review on position shared in May each year. Additionally, an update overview report is provided to

Strategic Report (continued)

Executive Team monthly. This approach allows for targeted discussion and action to be taken as issues arise rather than retrospectively and has already been beneficial.

Strategy – Overall Progress

The full reporting system has been operational for 6 months with initial assessments based on the on the period October 2021 to March 2022.

Although work has been continuing within the SIGs, the cyber-attack has had an impact across the majority of strategy implementation activities leading to an estimated minimum 6-week delay in progress in some areas. Plans have been put in place to resume activity and increase output; and the timescales will be adjusted accordingly.

Across the 43 outcomes, 32 were in scope during Q3/Q4 and assessed at the end of the year as follows.

Number of Outcomes in Scope	Status		
	Red	Amber	Green
32	1	9	22

All 32 will continue to be in scope for the year ahead and further information is detailed below.

Key Highlights:

- Psychological Wellbeing – the pace of establishment and development to test models and pathways which is underway.
- Suicide Prevention – reaching agreement for enhanced delivery and resources in the North East of Scotland.
- Care & Support – developing a revised retender approach.
- Workplace – increased delivery capacity and profile.
- Physical Activity & Sport – increasing profile and development across two significant partnerships.
- Children and Young People – increased reach across a number of programmes.
- Anti-Stigma & Discrimination and Anti-Bullying – achievement of objectives agreed with funders.

Further work will be undertaken around resources and investments and requirements to deliver our Change Management programme.

We believe significant momentum has been achieved to embed the strategy deeper in the organisation and greater levels of empowerment are in place within a wider team. We expect a considerable acceleration on the delivery of outcomes with a full year of activity ahead.

Activity in the year

Some of the key numbers to illustrate the support we deliver and the reach, engagement and activities of our key stakeholders are detailed in the table below.

FY 2022*	FY2021	Services
9,992	9,141	People supported through our community-based services.
263	269	Suicide interventions carried out by SAMH staff.
		Training Resources
10,630	13,899	People accessed one-to-one, group or e-learning resources covering mental health training, awareness and suicide prevention; Tools for Living (self-management/personal development and resilience training.)

Strategic Report (continued)

27,751	27,649	People completed our Well-being Assessment Tool.
		Public Affairs
5	9	MSPs and MPs visited SAMH services.
20	20	Significant UK and Scottish Government consultations responded to; briefings issued and evidence provided.
		Information
6,141	5,192	Enquiries responded to from individuals requesting information, resources and help-seeking advice.
43,271	34,096	Resources accessed including downloads through our website.
16,385	76,534	Unique visits across our Covid-19 Hub pages.
		Media Engagement
73,000	72,400	People engaging with us through social media
2,080	1,621	Mentions in the media including radio and television covering our work.
		Supporters and Events
18,000	17,795	Number of supporters.
1,375	5,510	People took part in one or more fundraising activity.
53	56	Active corporate partnerships during the year.
		See Me and Respectme
292	503	Employees trained through See Me workplace e-learning modules
14,444	13,040	See Me materials and training resources downloaded (tracked from Sept 2020)
546	709*	Professionals, parents, carers participated in training utilising our anti-bullying resources. (*709 since July 2020)
7,225	7,686	Resources accessed including 'anti-bullying' leaflets downloaded. (excludes verifying downloads)

Care and Support

As the largest part of our portfolio, our services remain the cornerstone of our delivery, across the year:

- We were successful in retaining key services in North Lanarkshire (Experience Counts and Transitional Support) and also Redhall Walled Garden in Edinburgh as part of the Thrive model. However unfortunately we were unsuccessful in the retention of My Life Dynamic in Aberdeenshire.
- We have had funding extensions in our SAMS Café, Falkirk and Stirling Home Support and Moray services and the Aberdeen GP Link Worker programme.
- Our employability services continue to deliver strong performances with 305 individuals started across all employment services, with 151 people entering employment. Additionally a number of fidelity reviews carried out in the period demonstrated excellent results.
- As part of our UK wide charity partnership with The Cooperative Group (Coop) we have developed and begun delivery on 16 programmes and projects across Scotland with a focus on building community resilience.
- We undertook significant policy and practice reviews and implemented new guidance and processes around Quality Assurance, Service User Finances and Medication. Additionally we have invested in a new system around service user records.
- Similarly to the wider care sector, recruitment and retention of staff across all services continues to be challenging for SAMH services. We continue to review our internal recruitment processes and engage in cross sector networks on local recruitment strategies.

Suicide Prevention

Our work within suicide prevention is underpinned by our new organisational strategy and our pre-existing suicide prevention strategy, launched in 2019. Key aspects of this activity include:

Strategic Report (continued)

- Successful delivery of our commitments as part of the wider Scottish National Action Plan for Suicide Prevention. This includes being a key member of the National Suicide Prevention Leadership Group; delivering campaigns and engagement under action 3 including launch and delivery of United to Prevent Suicide; completing social research relating to action 7 on those hardest to hear / engage that are of risk of suicide; and continuing to host the Lived Experience Panel.
- Expansion of our enhanced programme in the North East across Aberdeen City and Aberdeenshire and inclusion of Moray which provides a North East wide approach, including a focus on capacity building, training and campaigns.
- Successful completion of our first PhD study, commissioned with University of Glasgow's Suicide Behaviour Research Lab, to review male suicide with publications in several academic journals.
- Presenting at the University of Glasgow's World Changing Conversations Event to discuss suicide prevention which attracted over 800 attendees at the virtual event.
- Delivering our capacity-building programme with Glasgow Caledonian University (GCU) with training being delivered to around 350 academic staff across all of the faculties.

Psychological Wellbeing

Psychological wellbeing is the area within our strategy identified for transformational change and is a key area for development and investment, over the year:

- Developed and tested new psychology based models including Time For You (funded by Foundation Scotland) and trialled digital offers including Qwell and Living Life To The Full.
- We have invested in our Information Service to expand access and information offers, testing it as a pathway to other non-referral based programmes.
- Successfully delivered our existing Distress Brief Intervention (DBI) programme across the national pilot, and expanded our delivery through the Covid-19 response and other associate programmes.
- We continue to deliver our GP Link Worker service across all practices in Aberdeen City; however unfortunately we lost our service in North Lanarkshire due to it being decommissioned and delivered by the local Health and Social Care Partnership.
- Begun scoping for developing a new clinical governance/oversight framework.

Workplace

In a year disrupted by Covid-19, Workplace training saw strong end to the financial year 2021/22, key activity included:

- Commissioning of a new digital workplace platform, due to be operational during 2022/23.
- Delivery of 414 courses, training 3,931 participants to a mixture of corporate, statutory and charitable organisations.
- Developed the Workplace Community Connections programme as part of a range of new services set up through investment from the Co-op.
- Successfully delivered our requirements within the NHS Greater Glasgow and Clyde contract and received further charitable funding to provide training to other charities and within the veterans community.
- Continued our engagement with our partners including developing and testing new workplace products with STV and working in partnership with Scottish Financial Enterprise (SFE) and See Me to gather the views, attitudes and perceptions of members of their Young Professionals Network.

Physical Activity and Sport (PAS)

Our PAS delivery has continued to go from strength to strength throughout the year. Key highlights include:

- Our strategic partnership with Sportscotland has multifaceted delivery which has seen us develop a programme aimed at supporting Sports Governing Bodies to build capacity across their communities. Additionally our Active Schools sessions have been delivered 125 times to 1,566 attendees and we co-

Strategic Report (continued)

produced campaigns including 'Feel your Personal Best' and 'Try Something New', encouraging audiences to engage in activities to support wellbeing.

- We refreshed our partnership aims with Scottish Athletics for the next 3-5 years and in February 2022 launched the JogScotland Impact Report, reflecting on the impact of the programme over the last five years.
- Our Changing Room programme has been extended to reach 26 professional / semi-professional football clubs across Scotland. Additional funding was also secured to develop enhanced elements of the programme to target new audiences and to improve entry and exit pathways for participants.
- Work on the second phase of the Mental Health Charter for Physical Activity and Sport was undertaken and aims to support local community-based clubs to develop their approaches to mental health and wellbeing. The Charter was officially launched in May 2022.
- We have also developed and delivered other programmes alongside partners including Gain the Advantage, Get into Summer and the Young Woman Leadership and Mentorship Programme.

Children and Young People (CYP)

Our work within CYP has continued to evolve over the year across delivery, capacity building and resources. Key highlights include:

- Developing models that support young people who are not yet at the threshold of requiring CAMHS services including 121 support, building community resilience and life skills.
- Delivering our Connect Transition programme supporting young people as they transition from primary to secondary or secondary to further/higher education.
- In addition to our e-learning for Teachers (launched in 2019) we launched our Youth Worker e-learning module in November 2021 as part of national Youth Work week.
- Delivering 41 workshops to 353 individuals including young people, parents/carers, education staff and third sector organisations.
- Funded by Coop, Let's Talk is based around community capacity building and pathways to community support and we have undertaken 81 sessions across 4 locations reaching 1,464 beneficiaries including young people, parents / carers, school staff and youth workers.

Anti-Stigma & Discrimination and Anti-Bullying

Both of our national programmes: SeeMe – anti-stigma and discrimination and Respectme – anti-bullying have had commitment from Scottish Government for continuation funding with refreshed strategies, outcomes and objectives agreed. Key activity across the year includes:

Respectme

- Anti-Bullying Week took place in November 2021 and the campaign was One Kind Word and #5DaysOfKindness Challenge.
- We developed and piloted a self-evaluation toolkit which was designed to test any gap between anti-bullying policy and practice and launched the Respectme Reward to recognise schools who have undertaken the self-assessment.
- Secured a slot on the World Anti-Bullying Forum Conference agenda and gave a workshop looking at the importance of youth participation in anti-bullying policy and practice.
- In preparation of co-designing our two-year anti-bullying campaign a Youth Action Group was successfully established in February 2022 and has recruited 12 Youth Action Group members.
- We also launched the Young Film maker's competition in partnership with the Royal Conservatoire of Scotland in September 2021.

Strategic Report (continued)

See Me

- We launched a new campaign See Us to encourage people to take action and relaunched the social movement to end mental health stigma in Scotland.
- We supported Time To Talk Day (TTTD) on 3 February 2022, developing resource packs and communications resulting in 95 pieces of media coverage; 6,722 visits to the TTTD section of the website; over 260 resource packs requested and social media reach of 150k.
- We launched Scotland's Mental Illness Stigma Survey in December 2021 to gather data about the stigma experienced by people affected by mental illness.
- A refreshed version of FeelsFM was launched with new features including YouTube integration, new playlists, games and questions for young people.
- Undertook a series of events with the ALLIANCE and Self-Directed Support Scotland to explore the experiences of people around self-directed support.
- Fast tracked production of digital tools, content and online support for workplaces, and extended our communications to engage and encourage action to address stigma within the deaf community (in partnership with Deaf Scotland).

Influence and Change

In addition to our work under our strategic priorities and areas of focus, we continue to pursue a progressive agenda to achieve significant and lasting outcomes for individuals and communities across Scotland.

Influencing

- Scottish Parliament elections (May 2021): we undertook pre-election engagement to produce our manifesto; engaged with each of the parliamentary political parties, and for the first time introduced an online candidate contact tool for the Standing Up for Scotland's Mental Health campaign which was used by almost 200 SAMH campaigners.
- Cross Party Group on Mental Health: we continue to provide effective secretariat to the group since its reforming post Scottish Parliament elections and it has over 100 members, including 10 MSPs.
- In December 2021 we commented on new figures from Public Health Scotland on the rejection level of CAMHS referrals and gave evidence at the Health, Social Care and Sport Committee.
- We responded to a number of consultations, evidence requests and engagement exercises over the year including:
 - Scottish Government's Suicide Prevention Strategy Engagement Exercise.
 - Mental Welfare Commission's consultation on proposals for a new system of investigating deaths of those who died while subject to compulsory treatment under mental health legislation.
 - Scottish Parliament's Assisted Dying Bill proposal.
 - The Health, Social Care and Sport Committee inquiry into alternative pathways to healthcare.
 - National Care Service consultation.
 - The first consultation on the multi-year Resource Spending Review since 2011.
 - Scottish Government's social security and research teams on draft guidance for Adult Disability Payment.

Engagement, Reach and Information:

Over the year we have:

- An average of 80,000 followers across our social media channels; updating on specific events and awareness days including suicide awareness and mental health awareness days.
- Supported the STV/ITV mental health initiative #BritainGetTalking and shared content from See Me ahead of Time to Talk Day.

Strategic Report (continued)

- Produced a number of mental health resources including the translation of suicide prevention publications into Punjabi, Urdu and Polish.
- We were represented on/contributed to the work of:
 - ITV Mental Health Advisory Group.
 - National Suicide Prevention Leadership Group.
 - North East Suicide Prevention Strategic Partnership.

Strategic Partnerships

In addition to our partnerships detailed above with Sportscotland and Scottish Athletics, we have continued to progress a number of our strategic partnerships, most notably:

- Continuation of our partnership with our sister organisation Mind and, under the auspices of delivery of our corporate partnership with Coop, expansion of this alliance to include Inspire Wellbeing in Northern Ireland, creating a fully UK-wide partnership.
- We continue to enjoy a positive partnership with STV across a number of key aspects which will become even more important as we enter our centenary year.
- Became the first Scottish member of NHS Confederation to achieve greater understanding of mental health and health more generally across the UK.
- Via Workplace, a number of partnerships have been established with organisations through which SAMH can build profile and relationships most notably Scottish Financial Enterprise and CBI.

Supporters

As always we continue to note our sincere thanks to our donors, supporters, corporate partners and fundraisers without whose help and generosity we could not provide our much needed charitable services.

SAMH's Ambassador Sir Chris Hoy

In another challenging year, our Ambassador Sir Chris Hoy continued to lend his support to the whole SAMH team by promoting both "feel your best" in June 2021 and the "We Won't Wait" strategy launch early November 2021.

Fundraising

We are extremely grateful to all of our funding partners for their on-going support for our work.

- Co-operative (Coop) Partnership: we were delighted to undertake a full year of fundraising and community based programme development activities with our fellow mental health organisations Mind and Inspire Wellbeing as the beneficiary of the Coop national charity partnership (launched in October 2019). Over the duration of the fundraising partnership, the Coop is aiming to achieve an £8m fundraising target.
- Heads Together: as part of their response to the pandemic, SAMH was part of a coalition of mental health and community-based organisations, and received funding to contribute to a series of improvements to our information service with further campaigns planned during 2022/23.
- Other Charity Partnerships successes in the year include: Chivas Brothers; Halfords; Dunelm and The Works; National Pharmacy Association; Lomond Wealth, Murray Beith Murray, Nucleus Financial, Clarkson Platou Offshore, ICS Learn and Asset Guardian.
- Jo Malone London has continued their support of SAMH for another year (partner since 2013).
- We are also working with corporate partners on two pro-bono projects: Capco on creating an analytics dashboard for our social channels and Morgan Stanley in developing a staff intranet site.

We saw a significant increase in supporters organising their own fundraising activity, taking part in events virtually or simply sending a donation to the cause. Our heartfelt thanks to everyone who did something extraordinary for Scotland's mental health this year. Key highlights include:

Strategic Report (continued)

- The number of people supporting us in one or more fundraising activity was 1,375 during 2021/22.
- Stomp 2021 was continued as a virtual event for a second year which saw 71 participants.
- In response to supporter feedback we launched SAMH's own tribute site On Our Minds at the end of May 2021 with the engagement of key in memory supporters.

Plans for future periods

Aligned to our three-year strategy, we will be progressing with our implementation and delivery across the priorities and areas of focus for the remainder of its life cycle to achieve our strategic aims, ambitions and outcomes.

Next year (2023) will be a significant milestone for the organisation as we reach our centenary year and will undertake planning during the course of 2022 to mark the occasion with a range of activities and events.

To ensure the wellbeing of our staff and the people we support, we will be continuing to focus on transitioning people back to physical office spaces safely within best practice guidelines. We are continuing to invest on our Organisational Development plan and workforce wellbeing, a component of which will be around increasing opportunities for flexible working.

Equality, Diversity & Human Rights

SAMH is committed to promoting an understanding of equality and diversity throughout the organisation regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/ maternity, sexual orientation, gender reassignment or disability. No one should experience discrimination in their engagement with SAMH. We aim to be an organisation that is truly representative of all sections of society and are dedicated to ensuring the health and wellbeing of all employees and the people we support.

We have a robust and transparent approach to recruitment; appointing candidates based on performance and competence, regardless of any protected characteristic. We welcome recruitment applications from anyone interested in working for SAMH, and encourage applications from people with an ethnic minority background, people with a disability or who have experience of mental health problems. We are an accredited 'Disability Confident Employer' and guarantee that applicants who declare on their application form that they have a disability, and who meet the essential criteria for the post, will be invited to attend for an interview. There is equality and diversity training in place for all staff and our managers are trained and supported by our experienced Human Resources team to ensure compliance with legislation and best practice people management.

We are proud to be an accredited Living Wage Employer and we currently pay all staff above the Real/Scottish Living Wage rate. We have published pay scales and a policy of paying employees equally for the same or equivalent work. We published our 2021 Gender Pay Gap report in line with regulations. The Gender Pay Gap for 2021 was -0.49% (median) and -1.36% (mean), significantly lower than national averages.

Employee Engagement

At SAMH people are our greatest ambassadors and through their dedication, skills, compassion and resilience we are proud to provide recovery focussed support and help to increasing numbers of people across Scotland. Our employment practices align to the Fair Work Convention Framework and subscribe to the belief that fair work is work that offers effective voice, opportunity, security, fulfilment and respect.

Our Organisational and People Development Framework (Being our Best) sets out internal priorities across six themes: organisational design and resourcing, reward and recognition, workforce development, engagement and culture, enabling systems and processes, and change leadership.

Strategic Report (continued)

As part of the engagement and culture theme we issue regular staff communications, highlight employee feedback and achievements through SAMH Stars and we have a wellbeing framework, Our Wellbeing Matters, which sets out three overall aims:

1. Prioritise employee wellbeing and mental health as a strategic objective.
2. Be the best employer we can be for mental health and wellbeing at work practices in Scotland.
3. Enable happy, healthy and productive workplaces, where we can be ourselves and thrive at work.

We remain committed to ensuring a positive culture around physical and mental health for all staff utilising a range of approaches, such as: leadership commitment and communications, supportive policies and practice, early intervention and support during sickness and regular supervision, support for flexible working, confidential employee assistance programme, counselling, occupational health and training for all staff on mental health, suicide prevention and equality and diversity. SAMH offer all staff two paid wellbeing days off per year to focus on their own wellbeing and self-care with two thirds of staff utilising this option. We also offer all teams a wellbeing budget to spend as they choose in support of individuals' wellbeing.

We continue to invest in workforce development opportunities for staff with a mix of face-to-face, remote and over 100 online learning modules using the learning platform, LearnPro. Management development modules are available online and in partnership with Glasgow Clyde College, 23 managers attended an essential leadership skills course covering 6 management and leadership modules.

Under the theme enabling systems and tools, we implemented a new HR system and Care Planning system providing self-service access for staff and managers and offered training opportunities to support the implementation and to build staff confidence using new tools.

As part of staff recognition and reward, we implemented a one-year pay settlement for FY2022 of 4% following negotiation with the recognised union (Unite the Union) and we continued to hold regular positive and productive meetings with the union on many staff matters including mental health and wellbeing and health and safety.

Section 172(1) Statement - Companies Act 2006

This statement sets out how the Directors of the SAMH have applied and complied with Section 172(1) of the Companies Act 2006 in accordance with The Companies (Miscellaneous Reporting) Regulations 2018. The Directors of SAMH, as those of all UK companies, must act in accordance with a set of general duties set out in section 172 of the Companies Act 2006 (the Act). The Directors consider, both individually and together, that they have acted in the way, in good faith, that would be most likely to promote the success of the charity for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 March 2022.

SAMH identifies its key stakeholders as its staff and volunteers, service users, supporters and members of the wider public in Scotland, and commissioning bodies and funders. The interests of these stakeholder groups are ensured through an accountable decision making structure, and through consultation and engagement with each stakeholder group.

Decision Making

SAMH's intention is to behave responsibly and maintain a reputation for high standards of business conduct and good governance. The organisation is structured to ensure accountable decision making for the benefit of internal and external stakeholders. As detailed under "*Structure, Governance and Management*" (page 23), the charity is governed by an elected Board of Trustees, who oversee organisational leadership by the Chief Executive and Executive Team.

Strategic Report (continued)

SAMH's Executive Directors ("the Executive") have delegated authority from the Trustees for key areas of decision making, documented in the 'Reserved Matters for Trustee Board'. The Executive Directors have responsibility for operational decision making, and report quarterly to the Board of Trustees.

Staff and volunteers

SAMH staff and volunteers are at the heart of the work of the charity. In particular the unprecedented changes and pressures upon staff of this year have strengthened our commitment to protect their wellbeing and create opportunities for their engagement in key decision making processes (see page 13).

Our wellbeing initiatives have been continued throughout this year, including progress on implementing our organisational development framework 'Being our best', supported by team wellbeing budgets and two wellbeing days for every member of staff each year (see page 13).

Regular communication with staff has increased in the year with the use of multimedia formats, providing updates on organisational developments. The Covid-19 working group continued to progress best practice guidance for staff working in a variety of different settings and engaged widely around transition back to office bases and hybrid models of working.

Service Users

The people we support may be at a particularly vulnerable time in their lives. Our services are person-centred and promote choice, recovery, social inclusion, and independence (see pages 8-11). During the year we developed the Quality Assurance Framework (due to be piloted 2022/23) and implemented robust policies and practice guidelines around medication and Service User Finances.

Impact on the wider public

In addition to our services, SAMH plays an important role in the wider Scottish community as described throughout our strategic report. We have engaged in a number of initiatives to support the mental health of the people of Scotland in 2021/22, including expanding our Information Service and online resources, and continued funding our research programmes into the impact of Covid-19 on the national population and people with lived experience of mental ill-health in addition to our suicide prevention research. Our See Me and Respect Me programmes aim to tackle stigma and discrimination about mental health and bullying and other programmes around physical activity and sport, children and young people and community based initiatives continue to reach more people and audiences than ever before. Our work on suicide prevention continued to be a significant focus with expansion of community based activities and the Distress Brief Intervention models, and engagement in the National Suicide Prevention Leadership Group (NSPLG) to shape the new national strategy.

Funders and commissioning bodies

The work of SAMH is funded by a combination of commissioning bodies, funders, donors, supporters and corporate partners.

Regular engagement with our service commissioners and funders ensures contracts are delivered according to specifications. During the Covid-19 pandemic we increased communications to ensure that we were informed of any changes to service delivery, or impact on programme deliverables.

Whilst the continued Covid-19 restrictions both locally and nationally meant that many of our fundraising events were again impacted, we continued to support our donors and volunteers organising their own fundraising activities and taking part in organised hybrid events. Our virtual Stomp again proved popular with many supporters returning to this event.

Strategic Report (continued)

Business Conduct

SAMH aims to maintain a reputation for high standards of business conduct. We strive to pay suppliers regularly and on time, using electronic payments where possible (page 19). Our investment approach is to achieve a balance between investing in ethical based funds and capital growth (page 19).

The need to act fairly as between members of the charitable company

The board of trustees meets regularly and is collectively responsible for ensuring that the charitable Company's operations are aligned to our internal values and to focus on the short and long-term strategically important decisions and activities of the company, including considering how the charitable Company will act fairly with all key stakeholders, as described above.

Climate

The climate emergency is a major risk to society and our mental health. SAMH acknowledges its environmental responsibilities and the environmental impact of its business operations and is committed to continuously improving its sustainability to reduce its impact on the environment. SAMH is reporting environmental data for a second time with the below energy consumption and emissions statistics being subject to an Energy Savings Opportunity Scheme (ESOS) audit.

We confirm compliance with phase 1 and 2 of the (ESOS). The phase 2 ESOS report identified potential annual energy consumption savings of 8.59%. Actions taken as a result include moving to more efficient lighting sources, reducing travel where possible, carrying out maintenance routinely to ensure maximum efficiencies and performance and encouraging staff to promote sustainability practices.

Streamlined Energy and Carbon Reporting (SECR)

In accordance with the Streamlined Energy and Carbon ("SECR") Reporting requirements outlined in the Companies Act (2006) for large quoted and unlisted companies SAMH is required to report on its Greenhouse Gas (GHG) emissions.

GEPE Environmental (GEPE) have been engaged to undertake this exercise and below is a summary of their report on annual GHG emissions, total energy consumption for SAMH covering the operation of our offices, clinics and sheltered accommodation sites, owned vehicle and Grey Fleet travel.

Methodology

Scope of analysis and data collection

Over the reporting year we supplied primary data for our offices and business travel activities including: electricity consumption (kWh), natural gas consumption (kWh), owned vehicle travel (mileage), and employee mileage claims (Grey Fleet).

Calculation Methodology

GEPE used the BEIS and Greenhouse Gas Protocol Corporate Reporting Standard (GHG Protocol) methodology for compiling this GHG data and have calculated GHG emissions in accordance with the UK Government's reporting guidelines for Company Reporting. To ensure consistency in their reporting GEPE are reporting all GHG emissions in units of CO₂e (carbon dioxide equivalent), and have used 2022 GHG Conversion Factors for Company Reporting, published annually by Defra and BEIS.

Strategic Report (continued)

Where incomplete electricity consumption or gas consumption datasets have had to be used, GEPE have estimated consumption based on the pro-rated average of previous months energy consumption. Where energy consumption information was unavailable, GEPE have estimated consumption based on average energy consumption for similar building types (e.g. offices, clinics, blocks of flats) for which GEPE have consumption data.

GHG Emissions Scopes

The following reporting scopes (as outlined by the Greenhouse Gas Protocol) are included within this disclosure:

Scope 1 Emissions: direct emissions from sources which SAMH owns or controls. This includes emission generated by our vehicles and natural gas consumption across our sites.

Scope 2 Emissions: indirect emissions relating solely to the generation of purchased electricity that is consumed by SAMH.

Scope 3 Emissions: indirect emissions relating to solely to business travel by employee-owned vehicles (Grey Fleet).

Energy Consumption

The table below displays our annual energy consumption for electricity, natural gas, vehicle fleet travel, and Grey Fleet travel for the year ended 31 March 2022. As per SECR reporting requirements this information is presented in kilowatt hours (kWh).

Emissions Source	GHG Scope (GHG Protocol)	Reporting Units	1 April 2021 to 31 March 2022	Percentage of Energy Consumption
Natural Gas	Scope 1	Kilowatt hour (kWh)	1,049,895	64.6%
Grey Fleet	Scope 3	Kilowatt hour (kWh)	295,786	18.2%
Grid Electricity	Scope 2	Kilowatt Hour (kWh)	277,161	17.1%
Owned Vehicles	Scope 1	Kilowatt Hour (kWh)	2,569	0.2%
Total Energy Consumption (kWh)			1,625,351	

GHG Emissions Reporting

In accordance with SECR reporting requirements our GHG Emissions disclosure is outlined below. Results have been split by GHG Emissions Scope as outlined by the GHG Protocol calculation methodology.

GHG Emissions Scope	Result Units	1 April 2021 to 31 March 2022	Percentage of GHG Emissions
Scope 1	tonnes CO ₂ e	192.25	60.4%
Scope 2	tonnes CO ₂ e	53.60	16.8%
Scope 3	tonnes CO ₂ e	72.42	22.8%

Strategic Report (continued)

Total GHG Emissions	tonnes CO2e	318.27	
GHG Emissions Intensity 1	tonnes CO2e/£M turnover	15.91	

Total GHG Emissions for Scope 1 and Scope 2 for the year ended 31st March 2022 is 318.27 tonnes CO2e. Of our total GHG emissions, Scope 1 accounts for 60.4%, Scope 2 accounts for 16.8%, and Scope 3 accounts for 22.8%. Our GHG Emissions CO2e Intensity per £M turnover is 15.91 tonnes CO2e. These results will act as our baseline GHG emissions which will be used as a benchmark for our future performance to be compared against.

Financial Review and Results for the Year

Although the year has been challenging SAMH financial results reflect the strong financial performance of the organisation whilst continuing to invest in mental health promotion, campaigning and services for people.

Key financial results:

Group income at £19,632,377 (2021 £18,057,389) has increased by 8.7% on the previous year. At £18,577,274 (2021 £16,807,700) expenditure has increased by 10.5%. The group surplus for the year is £1,214,280 (2020 £1,746,806). The result comprises an increase in unrestricted funds of £1,502,998 and a decrease in restricted funds of £288,718. Notes 15 and 16, pages 46-50 provide further information on restricted and unrestricted funds.

Fundraised income in total in the year was £2,971,039 (2021 £2,862,490); £2,277,268 from Donations and Legacies (2021 £2,308,099) and £693,771 (2021 £554,310) from Trusts and Foundations included within income from Charitable Activities in the SOFA. Legacies received in the year amounted to £1,000 (2021 £44,720).

In June 2019 the organisation purchased the 3 remaining floors of Hayweight House in Edinburgh for £2,914,069. Of the 6 floors, one floor is occupied by the organisation and is classified as a tangible asset for accounting purposes. The remaining 5 floors not used directly in the business have been classified as Investment Property and will be independently valued on 31 March each year with unrealised gains or losses declared in the SOFA. Unrealised gains will be held in the designated Revaluation Reserve. At 31 March 2022 the building was valued at £5,200,000 with the 5 investments floors valued at £4,190,000, an increase of £40,000 from 31 March 2021.

There is a gain of £119,117 on our investment portfolios with the funds managed by Barclays making a gain of £136,407 and a loss on the portfolio managed by Brewin Dolphin of £17,229.31. These gains reflect the volatility of global markets as economies recover following the Covid-19 pandemic.

Cash held at 31 March was £6,965,043 (2021 £9,227,044). The decrease of £2,262,001 reflects moving an additional £5 million to financial investments as well as a maturing fixed term deposit of £1 million leaving an underlying increase in cash of £1,737,999.

Restricted reserves of £614,732 include £524,272 which are restricted by the funder for a specified purpose and will be spent in future years. The remaining £90,460 was received for the purchase of capital equipment; depreciation on these assets will be charged to this fund in accordance with the policy.

An extensive review has been undertaken to ensure that the organisation will remain a going concern for at least one year from the date of signing (Page 25 below and Note 1 pages 36-39).

Strategic Report (continued)

Reserves policy

The Trustees understand the importance of balancing the requirements of the organisation's operations against holding funds in reserve. In recognition of this they have an established policy whereby they consider it appropriate to hold funds in free general reserves. In 2020, in response to the pandemic, Trustees agreed to increase the number of weeks operating costs from 16 to 21 weeks minimum. At the current level of expenditure we have 24 weeks (2021 22 weeks) free reserves which is in line with the policy. (Note 1 pages 36-39).

Additional information on each of the reserve funds can be found in the notes to the financial statements (Notes 15 and 16, pages 46-50).

Principal funding sources

As in prior years the principal funding source for the organisation is the provision of social care contracts with local authorities at £11.3 million (2021 £10.7 million); with £8.3 million (2021 £7.2 million) coming from other sources. (Further information on funding sources is detailed in Note 3, page 39 and Note 15, pages 46-48).

Supplier payment policy

The organisation works hard to ensure supplier payments are made regularly and on time. Many payments are made by direct debit or standing order, with the remainder being paid by BACS or cheque. Suppliers are encouraged to submit details to allow electronic payment to be made.

BACS payments are made fortnightly. The average time taken to pay suppliers is 33 days after the date of the invoice (2021 35 days).

Investment policy

In accordance with the Articles of Association, the Trustees have the power to invest in such stocks, shares, investments and property as they see fit. Our policy is to invest in a number of ethical based funds with the aim of maximising capital growth. SAMH has engaged Barclays Investment Solutions Ltd and Brewin Dolphin to manage the investment funds.

The valuation of our portfolio on 31 March 2022 was £7,468,769 (2021 £2,372,174), an increase of £5,096,595 on last year's reported valuation, largely as a result of the additional £5 million investment during the year. The cost of managing the portfolio was £22,626 (2021 £10,635).

Strategic Report (continued)

Principal Risk and Uncertainties

The Trustees identify the major risks to which the group is exposed and establish actions to control and mitigate. Risk Assessments and Risk Registers are in place and subject to regular review and monitoring by the Executive Team, Audit and Risk Committee and Trustee Board. The Trustee Board is satisfied that the major risks have been identified and processes for addressing these have been established.

In relation to the cyber-attack in March 2022, two new risks were added to the Risk Register – cyber security and data protection. This will help ensure all active mitigations and controls are captured and completed in a timely manner.

Principal Risk	Primary Mitigation
Organisation	
Organisation is not aligned or able to respond to significant change in the external environment.	<ul style="list-style-type: none"> Regular meetings of Trustees and Executive Team ensures ongoing oversight of performance, emerging issues and changes in external factors. Continual assessment and adjustment of the Risk Register and related mitigation actions with particular focus on response plans for Covid-19 pandemic and the cyber-attack. Strengthening the focus of our work in areas where need has grown sharply during the pandemic or need is greatest. Actions in each of these areas are managed through the Strategy Implementation Groups. Accelerate the pace of digital transformation across SAMH's service, engagement, and fundraising work, as well as within SAMH's broader organisational working. Horizon scanning to ensure we identify any new potential risk that could cause harm and have a mitigation response plan in place.
Finance	
Significant loss of income.	<ul style="list-style-type: none"> Systems for strategic financial planning, budgeting and financial performance monitoring in place. Detailed budget-setting process and development of financial plans. These are reviewed and approved by the Trustees and SAMH Executive. Regular detailed financial monitoring is carried out and actions are taken to mitigate against any budget pressures, including effective cost management measures. Ongoing monitoring of contract portfolio performance by Senior Management and Executive Team with controls in place to allow early identification of significant trends. Identifying ways to develop opportunities to diversify our social care portfolio and the creation of strategies to increase our likelihood of a successful re-tender. The reserves and cash management policies protect the organisation against impact of loss of income in the short-term and affording a reasonable period of time to implement mitigation strategies.

Strategic Report (continued)

Principal Risk	Primary Mitigation
People	
<p>Failure to meet duty of care to staff/service users.</p>	<ul style="list-style-type: none"> • The organisation’s employment practices are in-line with Scottish Government Fair Work Framework; with a wide-range of policies and procedures in place covering practice. Staff have an enhanced benefits package and the organisation undertakes regular monitoring of HR statistics (benchmarked against industry standards). The organisation produces annual SAMH People and Gender Pay Gap Reports. • During Covid-19 Wellbeing assessments of staffs mental and physical health were conducted and where support was required, SAMH provided enhanced infection control procedures, regular testing and access to vaccination. • Monitoring absence levels extremely closely and making adjustments to schedules as appropriate. HR team also offer continuing support to Senior Service/Service Managers. • The recruitment process is currently under review given the industry wide issues of attracting and retaining staff. We also engage with SSSC/CCPS and other national agencies in relation to these care sector staffing issues.
Safeguarding and Regulatory	
<p>Harm from significant breach in regulation or SAMH do not adhere to legislative regulations</p>	<ul style="list-style-type: none"> • Compliance with regulatory requirements and expectations commences at Trustee Board and is cascaded down through Directorate teams and is embedded across all areas of the organisation. The Risk, Compliance and Internal Audit teams support these activities. • Quarterly reporting to the Audit & Risk Committee (ARC) includes risks arising out of our operations, fundraising and other activities. The ARC reviews and monitors the adequacy of internal controls and reports to the Board of Trustees on significant risks, any identified weaknesses in controls and progress of actions for addressing any such identified weaknesses. • The organisation has a Safeguarding Framework in place with Named Leads for Children and Young People, Adults; Organisational Lead for Duty of Candour; and has a Data Protection Officer, Complaints Officer and Internal Audit & Risk Team. • SAMH contract WorkNest to advise on HR issues and changes in legislation. Health and Safety incidents are recorded on a centralised system, with escalation to management and follow-up action taken where required. Regular monitoring of thematic issues and trends is undertaken. • Development and implementation of a Quality Assurance Framework will allow accurate measurement and monitoring of key service indicators allowing required actions to completed on a timely basis. • Data protection and information governance policies are in place and are reviewed to ensure our internal processes are robust and comply with any new legislative, regulatory or contractual requirements including the UK General Data Protection Regulation and Data Protection Act. Data governance training is compulsory for all staff and has been

Strategic Report (continued)

Principal Risk	Primary Mitigation
	designed to ensure awareness of our duty to protect data and support implementation of our internal policies and procedures on data protection and information governance.
Cyber Security	
We do not have sufficient measures in place to guard against cyber-attacks.	<ul style="list-style-type: none"> • Following the cyber-attack a number of additional controls and security measures have been put in place including mandatory multi-factor authentication for all staff accounts, a move to externally hosted systems allowing a much reduced internal attack surface and additional anti-virus software on LAN-based devices. • To enhance this further we engaged external cyber security specialists who have completed a Security Architecture Review. Security improvement recommendations from the review have been received and incorporated into the IT Security Action Plan. Work on this plan has already commenced and regular updates will be provided to SAMH Executive and the Audit & Risk Committee. Internal Audit will provide general governance oversight to monitor and report on progress. • All SAMH staff are required to complete cyber security training which is designed to ensure awareness of our duty to protect our systems and the data they hold. Training completion rate is monitored by HR. • An external IT provider gives ongoing support and advises on security. • Data is backed-up to multiple locations on a daily basis and our servers are stored in a secure data centre; additional disaster reliance is in place through a secondary data centre. • Control over issue and updating of electronic equipment including updating of anti-malware and anti-virus programs. Staff only have access to data appropriate to their role.

Strategic Report (continued)

Structure, Governance and Management

SAMH is a company limited by guarantee registered in Scotland No SC082340, governed by its Articles of Association, and has obtained permission from the Registrar of Companies to omit the word 'limited' from the company name. The Association has been recognised by the Office of Scottish Charity Regulator (OSCR) as a Scottish charity, number SC008897.

Trustee Board

The Trustees of the charity, who are also Directors for company purposes, are appointed to the Board through a nomination process as detailed in the Articles of Association. The maximum number of Trustees is 14 (minimum 9) with the opportunity for a further 2 co-options. Trustees may serve a maximum of 2 terms (a term being 3 years). During the course of the financial year to 31 March 2022, Trustee Board held 4 general meetings; 4 planning sessions and an Annual General Meeting. All meetings were held virtually. Trustees received updates between meetings specifically on the organisation's response to the Covid-19 pandemic and the cyber-attack that SAMH fell a victim of.

The 'Reserved Matters for Trustee Board' identifies areas of responsibility and authority that Trustee Board will retain and levels of authority that can be delegated to the Chief Executive and Executive Directors. The Reserved Matters are structured into 5 key areas:

- Corporate Governance
- Strategy and Management
- Financial Reporting and Controls
- Internal Controls and Risk Management
- Financial and Contractual Authority

SAMH had no incidents during the year which triggered its Duty of Candour.

Trustee recruitment and development

The Articles of Association allow Trustees to serve two 3-year terms. At the Annual General Meeting in 2021, 2 Trustees retired from Trustee Board. Following a robust recruitment process, 3 individuals were elected to Trustee Board.

An induction programme was put in place to enable new Trustees to acquire a greater working knowledge and understanding of the organisation. Trustees participated in a development and events programme and all Trustees proactively participated in an annual development meeting with the Chair.

Outlined below are all those who, having been elected and approved at an Annual General Meeting of the Association, served in the year ended 31 March 2022 and up until the signing of these financial statements:

Chris Creegan

Catriona Headley¹

Elizabeth Humphreys¹

Jamie Kinloch BEM²

Shona Littlejohn¹

Stephen Martin¹

Graeme McAlister

Rev Stuart MacQuarrie

Ross McAdam^{1,2}

Pauline Radcliffe²

Dr Alexandra Wright

Strategic Report (continued)

¹ Member of SAMH's Audit and Risk Committee

² Elected September 2021

There have been no resignations or appointments from the date of the financial statements.

Sub-Committees

There are 2 sub-committees of the Trustee Board: each sub-committee operates in accordance with its terms of reference and reports directly to the Trustee Board.

Chair's Sub-Group

It is the responsibility of the Chair's Sub-Group to provide a governance response to Executive Team in exceptional circumstances or emergency situations; and to review the performance of the Chief Executive and Executive Team.

Audit and Risk Committee

This Committee was set-up to review the effectiveness of risk management and internal control systems, and to ensure the organisation complies with financial reporting requirements, Charity and Company Law and other legislation and regulatory requirements. During the course of the year Trustee Board received and approved the annual report setting-out the work of Audit and Risk Committee and Internal Audit, demonstrating that the Committee had effectively carried out its duties and obligations in line with its Terms of Reference.

Audit and Risk Committee engaged with the statutory auditors; considered the Letter of Representation and Auditor's Report; reviewed and submitted the Annual Report and Financial Statements to Trustee Board with recommendation for approval.

Management

Under the governance of the Trustee Board and leadership of the Chief Executive Officer and Executive Team, the organisation is structured to support the delivery of its objectives. The Chair and Chief Executive meet on a monthly basis to review key developments. Key management personnel during the year: Chief Executive, Director of Corporate Services, Interim Director of Operations, Director of Strategic and Business Development, Director of Influence and Change.

In accordance with the organisation's process, the Chief Executive and Executive Directors undergo an annual appraisal, conducted by the Chair and Chief Executive respectively. The Chair's Sub-Group review the overall performance of the Executive Team annually and report to the Trustee Board. The remuneration of the Chief Executive is set by the Trustee Board and reviewed periodically. The salaries for Executive Team and Senior Management Team are set in accordance with SAMH's standard remuneration process.

The roles and responsibilities of the Chief Executive and Director of Corporate Services/Company Secretary encompass SAMH and its subsidiary companies. In addition the Chief Executive and the Director of Corporate Services/Company Secretary are Directors of SAMH Services (Scotland) Limited and Mental Health Scotland Limited (dormant).

Investments

The charity has investments in wholly owned subsidiary companies: SAMH Services (Scotland) Limited, Mental Health Scotland Limited (dormant) and AMHA (dormant). SAMH is the ultimate and direct parent of all three entities.

Strategic Report (continued)

Going concern assessment

The Financial Statements have been prepared on a going concern basis. The results for the year show a surplus of £1,214,280 for the Group, of which £159,177 represents the unrealised gain on investments.

The emergence of Covid-19 in early 2020 as well as the economic environment since restrictions have been eased and global events which have led to inflationary pressures have not had a significant impact on the operating activities of SAMH. The Charity's key operations continue with demand for its underlying services increasing. Furthermore, as most of our contracts are with local authorities which regardless of financial challenges have a statutory duty to provide their services, there have been no material changes to existing contracts. Inflationary pressures have been reflected in cashflow forecasts and have not materially impacted the ability of the charity to continue as a going concern through to the period up to 12 months from the approval of these financial statements and beyond. At each meeting of the Board, Trustees receive updated financial impact assessments and cash flow forecasts to provide assurance that SAMH continues to meet and exceed prudent going concern criteria.

Covid-19 and financial sustainability remain as items on the corporate risk register, which is reviewed quarterly by the SAMH Executive and Audit and Risk Committee and twice annually by the Trustee Board. The organisation continues to engage with its commissioners, funders, corporate partners, supporters and donors. We will update finance and fundraising impact assessments on an ongoing basis taking appropriate action as required whilst continuing to explore new and developing funding opportunities.

Taking a prudent approach management has revised financial plans and cash flow forecast for the period to 30 September 2023, covering at least 12 months from the approval of the financial statements. We prepared a detailed fundraising impact assessment and stress-tested all aspects of income and cash to ensure the organisation would have adequate cash reserves through a plausible worst case scenario.

Key assumptions applied through to the end of the going concern period, included:

- No further ad hoc donations would be received that had not already been receipted in the year.
- All payments received on account held as creditors at 31 March 2022 would have to be repaid.
- Restricted reserves would be utilised or repaid only for the purposes for which they were intended.
- Additional inflationary pressures above those included in the base case

The outcome of this exercise demonstrated that, in the event of the plausible worst-case scenario conditions outlined above through to the end of the going concern period, the organisation would still hold £5.055 million of cash or liquid investments. This is before applying identified mitigating actions to reduce losses as they may occur through to September 2023.

Mitigating actions available to the organisation include utilising the contingency amount of £0.180 million included within the cash flow forecast for the period. The charity would also seek to undertake a cost savings exercise focusing on costs which are not directly related to the delivery of contracts and are more discretionary in nature, however, the potential level of savings have not been quantified at this stage.

In addition, the organisation would have the further option of securing credit and loans against office properties owned in Glasgow and Edinburgh which currently do not have any loans secured against them. The Trustees therefore believe that, whilst recognising the uncertainty around the developing and volatile situation surrounding the current economic climate, the financial outlook through to at least 12 months from the approval of these financial statements is manageable as outlined above. Accordingly, these financial statements are prepared on a going concern basis, and there are no material uncertainties in respect of SAMH's ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Charity not continue as a going concern.

Strategic Report (continued)

Disclosure of information to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint Ernst & Young LLP as the company's auditor will be put to the forthcoming Annual General Meeting.

In their capacity as Directors of SAMH, Trustees approve the above Strategic Report incorporating the Trustees' Report.



Chris Creegan
Chair
05 September 2022

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity and company law 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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The responsibilities of the non-executive directors and the executive directors have been reviewed and stated in documentation which includes job descriptions for board members and office bearers. It is the responsibility of the non-executive directors to agree the strategic direction and corporate objectives of the organisation and to monitor overall performance against the corporate plan as well as ensuring that sufficient controls exist to safeguard the Association's assets. The executive directors attend the board of management, are responsible for implementing strategy, deploying resources in order to meet corporate objectives, and for reporting organisational performance to the board.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SCOTTISH ASSOCIATION FOR MENTAL HEALTH

Opinion

We have audited the financial statements of Scottish Association for Mental Health (“the charitable Company”) and its subsidiaries (“the group”) for the year ended 31 March 2022 which comprise the Charity Statement of Financial Activities (incorporating the income and expenditure account), the Consolidated Statement of Financial Activities, the Charity and Consolidated Statement of Financial Position, the Charity and Consolidated Statement of Cash Flows and the related notes 1 to 23, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 “The Financial Reporting standard applicable in the UK and Republic of Ireland”.

In our opinion the financial statements:

- ▶ give a true and fair view of the state of the group and charitable Company’s affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ▶ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ▶ 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.

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 below. We are independent of the group and charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 group or charitable Company’s ability to continue as a going concern for a period of 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the trustee’s ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SCOTTISH ASSOCIATION FOR MENTAL HEALTH (continued)

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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, which includes the directors' report and the strategic report prepared for the purpose of Company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable Company and its environment obtained in the course of the audit, we have identified no material misstatements in the strategic report included within 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 requires 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 27, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SCOTTISH ASSOCIATION FOR MENTAL HEALTH (continued)

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 management either intends to liquidate the charitable Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable Company and determined that the most significant are the reporting requirements to the Office of the Scottish Charity Regulator ("OSCR") and reporting under the Companies Act 2006.
- We understood how the charitable Company is complying with those frameworks by obtaining an understanding of the group and charitable Company's procedures to ensure compliance and understanding the controls in place for management to detect breaches in laws and regulations. We also considered the oversight of those charged with governance (i.e. considering the potential for override of controls or other inappropriate influence over the financial reporting process, such as efforts by management to manage earnings in order to influence the perceptions of stakeholders as to the entity's performance), and the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment.
- We assessed the susceptibility of the charitable Company's financial statements to material misstatement, including how fraud might occur by making enquiries of those charged with governance and management and considering the potential for override of controls or other inappropriate influence over the financial reporting process. We tested manual journal entries and performed procedures on significant estimates and judgements.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved confirming if management are aware of any breaches in laws or regulations or fraudulent activity, inspecting any correspondence between the charitable Company and OSCR, reading the minutes of the

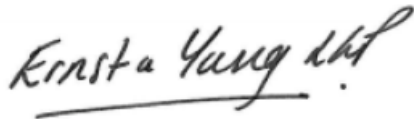
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SCOTTISH ASSOCIATION FOR MENTAL HEALTH (continued)

Board, testing journal entries and undertaking the FRS 102 disclosure checklist to ensure relevant requirements are met.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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 charitable Company's 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 Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable Company's members and 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, the charitable Company's members as a body and the charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Reid (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh
Date: 06 September 2022

Charity Statement of Financial Activity

(incorporating income and expenditure account)

at 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Endowments:					
Donations and Legacies		2,232,218	45,050	2,277,268	2,432,349
From Charitable Activities		1,214,136	15,845,951	17,060,087	15,379,307
Investments		12,244	-	12,244	120,084
Total incoming resources	3	<u>3,458,598</u>	<u>15,891,001</u>	<u>19,349,599</u>	<u>17,931,740</u>
Expenditure on:					
Raising Funds		532,522	-	532,522	726,517
Charitable activities:	8	1,479,377	16,179,719	17,659,096	15,890,814
Other Resources Expended		102,272	-	102,272	44,550
Total resources expended		<u>2,114,171</u>	<u>16,179,719</u>	<u>18,293,890</u>	<u>16,661,881</u>
Net Gains/(Losses) on Investments	7	<u>159,177</u>	<u>-</u>	<u>159,177</u>	<u>497,117</u>
Net income/(Expenditure)	6	<u>1,503,604</u>	<u>(288,718)</u>	<u>1,214,886</u>	<u>1,766,976</u>
Reconciliation of funds					
Total funds brought forward		<u>12,028,837</u>	<u>857,462</u>	<u>12,886,299</u>	<u>11,119,323</u>
Total funds carried forward		<u><u>13,532,441</u></u>	<u><u>568,744</u></u>	<u><u>14,101,185</u></u>	<u><u>12,886,299</u></u>

Consolidated Statement of Financial Activity

(incorporating income and expenditure account)

at 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Endowments:					
Donations and Legacies		2,232,218	45,050	2,277,268	2,308,099
From charitable activities:		1,496,913	15,845,951	17,342,864	15,629,206
Investments		12,244	-	12,244	120,084
Total incoming resources	3	<u>3,741,375</u>	<u>15,891,001</u>	<u>19,632,376</u>	<u>18,057,389</u>
Expenditure on:					
Raising Funds		532,522	-	532,522	726,517
Charitable activities:	8	1,762,761	16,179,719	17,942,480	16,036,633
Other Resources Expended		102,272	-	102,272	44,550
Total resources expended		<u>2,397,555</u>	<u>16,179,719</u>	<u>18,577,274</u>	<u>16,807,700</u>
Net Gains/(Losses) on Investments	7	<u>159,177</u>	<u>-</u>	<u>159,177</u>	<u>497,117</u>
Net Income/(Expenditure)	6	<u>1,502,998</u>	<u>(288,718)</u>	<u>1,214,280</u>	<u>1,746,806</u>
Reconciliation of funds					
Total funds brought forward		12,132,916	857,462	12,990,378	11,243,572
Total funds carried forward		<u><u>13,635,914</u></u>	<u><u>568,744</u></u>	<u><u>14,204,658</u></u>	<u><u>12,990,378</u></u>

Statement of Financial Position

at 31 March 2022

		Consolidated 2022	Consolidated 2021	Charity 2022	Charity 2021
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9	2,227,547	2,361,118	2,227,547	2,361,118
Investment Property	9	4,190,000	4,150,000	4,190,000	4,150,000
Investments	10	7,468,769	2,372,174	7,468,769	2,372,174
		<u>13,886,316</u>	<u>8,883,292</u>	<u>13,886,316</u>	<u>8,883,292</u>
Current assets					
Debtors	11	1,863,919	1,634,134	1,512,724	1,214,108
Short term investments	12	-	1,000,000	-	1,000,000
Cash at bank and in hand		6,965,043	9,227,044	6,925,905	9,227,025
		<u>8,828,962</u>	<u>11,861,178</u>	<u>8,438,629</u>	<u>11,441,133</u>
Creditors: amounts falling due within one year	13	<u>7,042,171</u>	<u>6,668,229</u>	<u>6,755,311</u>	<u>6,352,264</u>
Net current assets		<u>1,786,791</u>	<u>5,192,949</u>	<u>1,683,317</u>	<u>5,088,869</u>
Total assets less current liabilities		<u>15,673,107</u>	<u>14,076,241</u>	<u>15,569,633</u>	<u>13,972,161</u>
Provisions for liabilities and charges					
	14	<u>1,468,449</u>	<u>1,085,862</u>	<u>1,468,449</u>	<u>1,085,862</u>
Net assets		<u>14,204,658</u>	<u>12,990,379</u>	<u>14,101,185</u>	<u>12,886,299</u>
Total Funds					
Restricted funds	15	568,744	857,462	568,744	857,462
Unrestricted funds	16	13,635,914	12,132,916	13,532,441	12,028,837
Equity		1	1	-	-
		<u>14,204,658</u>	<u>12,990,379</u>	<u>14,101,185</u>	<u>12,886,299</u>



Chris Creegan

Chair

05 September 2022



Ross McAdam

Treasurer

05 September 2022

Statement of Cash Flows and Consolidated Statement of Cash Flows

for the year ended 31 March 2022

		Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
	<i>Notes</i>				
Net cash inflow from Operating Activities	6(b)	1,783,386	3,325,244	1,744,267	3,325,784
Investment Return/Finance Servicing	20(a)	1,465	45,244	1,465	45,244
Capital Expenditure	20(a)	(5,049,712)	(82,432)	(5,049,712)	(82,432)
Short Term Investment	20(a)	1,002,860	1,007,070	1,002,860	1,007,070
Increase / (Decrease) in Cash		<u>(2,262,001)</u>	<u>4,295,106</u>	<u>(2,301,120)</u>	<u>4,295,646</u>

Reconciliation of net cash flow to movement in net funds (note 17(b))

	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
(Decrease) / Increase in cash in the period	(2,262,001)	4,295,106	(2,301,120)	4,295,646
Cash outflow from change in debt	-	-	-	-
Change in net funds	<u>(2,262,001)</u>	<u>4,295,106</u>	<u>(2,301,120)</u>	<u>4,295,646</u>
Net funds at 1 April	<u>9,227,044</u>	<u>4,931,938</u>	<u>9,227,025</u>	<u>4,931,379</u>
Net funds at 31 March	<u><u>6,965,043</u></u>	<u><u>9,227,044</u></u>	<u><u>6,925,905</u></u>	<u><u>9,227,025</u></u>

Notes to the Financial Statements for Charity and Group

for the year ended 31 March 2022

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

As allowed by paragraph 3(3) of Schedule 4 to the 2006 Companies Act, the trustees have, due to the special nature of the company's business, adapted the prescribed format for the profit and loss account.

Going Concern

The Financial Statements have been prepared on a going concern basis. The results for the year show a surplus of £1,214,280 for the Group, of which £159,177 represents the unrealised gain on investments.

On 31 March 2022 SAMH had cash funds of £6.965 million, £7.469 million investment funds and a general reserve of £8.819 million. These balances reflect the decision by the Trustee Board in May 2021 to increase financial investment funds by £5 million.

On 31 July 2022 SAMH had cash funds of £4.454 million, and investment funds of £7.183 million.

Taking a prudent approach, management has revised financial plans and cashflow forecasts for the period to 30 September 2023, covering at least 12 months from the approval of the financial statements. We have prepared detailed fundraising impact assessments and stress-tested all aspects of income and cash to ensure the organisation would have adequate cash reserves through a plausible worst case scenario.

Key assumptions applied through to the end of the going concern period, included:

- No further ad hoc donations would be received that had not already been received in the year.
- All payments received on account held as creditors at 31 March 2022 would have to repaid.
- Restricted reserves would be utilised or repaid only for the purposes for which they were intended.
- Additional inflationary pressures above those included in the base case.

The outcome of this exercise demonstrated that, in the event of the plausible worst-case scenario conditions outlined above, through to the end of the going concern period the organisation would still hold £5.055 million unrestricted reserves in the form of cash or liquid investments. This is before applying any identified mitigating actions to reduce losses as they may occur through to September 2023.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

1. Accounting policies (continued)

Mitigating actions available to the organisation include utilising the contingency amount of £0.180 million included within the cash flow forecast for the period providing. The charity would also seek to undertake a cost savings exercise focusing on costs which are not directly related to the delivery of contracts and are more discretionary in nature, however, the potential level of savings have not been quantified at this stage.

In addition, the organisation would have the further option of securing credit and loans against loans against office properties owned in Glasgow and Edinburgh which currently do not have any loans secured against them. Based on the above the Trustees are confident that the financial outlook through to at least 12 months from the approval of these financial statements is manageable. Accordingly, these financial statements are prepared on a going concern basis.

Financial Instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

Intercompany balances relate to recharge of services between SAMH and its trading subsidiary SAMH Services. These are accounted for in line with all trade debtors and creditors as noted above and balances are settled through payment on a routine basis / net off of liabilities between the entities.

Investments

Quoted investments are included in the financial statements at market value. The investments are revalued to market value immediately before disposal and at 31 March 2022. Any unrealised gains or losses arising from the revaluation are recognised at this point.

Investment Property

Investment property is held to earn rental income, for capital appreciation or both. These are carried at their fair values, based on annual market valuations as determined by independent valuers. Any surplus or deficit on revaluation is recognised in the income statement.

Repairs and renewals

Furniture and equipment purchased for services are accounted for as revenue expenditure.

Leasing commitments

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme (Group Personal Pension) and contributions payable are charged to the income and expenditure account in the year incurred.

Depreciation

Fixed assets are initially recorded at cost. Investment Property is not depreciated. Assets in the course of construction are not depreciated until the asset is fully completed and ready for use.

Depreciation is provided on tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset by equal monthly instalments over its expected useful life as follows:

Freehold property	- over 25 to 50 years
Property refurbishment	- over 5 to 25 years
Information and Communication Technology	- over 3 to 10 years
Office equipment and fittings	- over 4 years
Tools and equipment	- over 4 to 5 years
Motor vehicles	- over 3 years

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

1. Accounting policies (continued)

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds that have been set aside by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with restrictions imposed by the donors or contracts.

The aims and uses of funds are set out in Notes 15 and 16.

Income recognition

Operating income is recognisable once all performance conditions for the receipt of the money have been satisfied. Where these performance conditions have not been met, income is deferred until the conditions that limit recognition are met. Other income, such as donations, legacies and grants, is recognised when there is legal entitlement, it is quantifiable and there is reasonable certainty of receipt.

Where restrictions are attached to the defrayment of the monies, the income is restricted. Where no such conditions exist, the income is unrestricted.

Judgements and Estimates

The preparation of the Group's charity and consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of Income, Expenditure, Assets and Liabilities. The following areas have been identified as areas where significant judgements, estimates and assumptions have been applied.

- Payments received on account for contracts and performance related grants are reviewed at year end to ensure income is recognised in accordance with FRS102 and the charity SORP. Payments received on account for contracts and performance related grants relate to amounts received for which conditions for recognition of funding remain outstanding at 31 March 2022, (Note 13)
- Deferred Income is recognised in line with the stipulated timescales and/or when performance conditions are met, (Note 13)
- Provisions are reviewed in line with the most up to date information available to management to assess future costs resulting from previous events at 31 March 2022, (Note 14)
- The investment property value is assessed on an annual basis by an independent professional. Management have reviewed the latest position including discussions with valuers, there is no indication of impairment in the value of the carrying asset, (Note 9)

Allocation of expenditure

Liabilities are recognised on an accruals basis. Where possible, expenditure has been allocated directly to functional expenditure, fundraising, policy, campaigning and information, or governance in the Statement of Financial Activities. Where this is not possible, it has been allocated on the basis of time spent by staff on each activity.

Governance costs include both direct and indirect costs that relate to the general running of the Association. Direct costs include expenditure on Trustee meetings, and Company Secretary and Executive Management time. Indirect costs include an apportionment of various Directorate Costs, mostly from within the Chief Executive Office and Corporate Services Directorate, covering the general and financial management of the charity respectively.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

1. Accounting policies (continued)

VAT

The Charitable Company is registered as a group for VAT but we can only partially recover VAT due to the exempt nature of our activities. Expenditure, therefore, is included gross of irrecoverable VAT.

The Company is a registered charity within the meaning of the Trustee Investment and Charities (Scotland) Act 2005 and recognised as a charity by HM Revenue & Customs. Trading activities undertaken operated through its subsidiary company, SAMH Services (Scotland) Limited and attract VAT where applicable. Group VAT registration number is 190 4877 78.

2. Events after the reporting period

As detailed on pages 4 to 5 above, SAMH was subject to a cyber-attack in March 2022. This has continued to impact the organisation There are no significant events since the end of the reporting period.

3. Income

Note 15, provides an analysis of sources and purpose of restricted income. Unrestricted income comprises fees and contributions for centrally managed activities from contracts and grants; investment income from property rental and bank interest; training; unrestricted fundraised income and payment by results funded services.

4. Staff costs and numbers for Charity and Group

	2022	2021
	£	£
Wages and salaries	12,443,134	11,245,762
Social Security Costs	1,136,890	1,016,172
Other Pension Costs	262,452	256,436
	<u>13,842,476</u>	<u>12,518,370</u>

The wages and salaries costs above include redundancy and termination payments made to 6 employees totalling £88,590 (2021 £44,550).

Trustees remuneration for their service during the year was £nil (2021 £nil). £40 (2021 £0) was reimbursed to 1 (2021 0) Trustee for travel expenses.

The number of employees whose emoluments were greater than £60,000 for the year fell in the following bands:

	2022	2021
£60,000 to £70,000	2	2
£70,000 to £80,000	1	1
£80,000 to £90,000	1	2
£90,000 to £100,000	1	-
£100,000 to £110,000	-	-
£110,000 to £120,000	<u>1</u>	<u>1</u>

A total of £20,208 (2021 £21,179) was paid by the company to group personal pension schemes in respect of the staff above.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

5. Staff costs and numbers for Charity and Group (continued)

The key management personnel of the company comprised the Chief Executive, Director of Corporate Services, Deputy Director of Corporate Services*, Executive Director of Delivery & Development, Director of Strategic & Business Development* and Director of Influence & Change (formerly Director of External Affairs). * Denotes new posts.

The employee benefits for key management personnel was salaries £475,133 (2021 £362,981) and pensions £19,807 (2021 £17,933).

The average monthly number of employees in the year was 518 (2021 - 550), of which 326 (2021 – 326) were full-time, and 193 (2021 – 224) were part-time employees.

This represents approximately 438 (2021 – 428) full-time equivalent staff during the year. The split by activity is:

	2022	2021
Fundraising	12	13
Community Based Services	347	336
Employment Services	20	19
Policy, campaigning and information	25	25
Management, Administration and Support	34	35
	<u>438</u>	<u>428</u>

The Association has arrangements in place for both temporary agency staff and seconded staff. During the year, £253,739 (2021 £67,584) was paid to various agencies for the supply of temporary frontline staff required at ad-hoc times to ensure continuous service provision.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

6. Surplus for the year

a) This is stated after charging:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Depreciation	176,695	182,602	176,695	182,602
Auditor's remuneration:				
Statutory audit services	64,850	55,000	57,955	50,000
Non-recurring fee variation	9,700	-	9,700	-
Operating lease rentals				
Equipment	1,361	4,436	1,361	4,436
Property	3,140	18,498	3,140	18,498

Group Auditor's remuneration includes the audit of the SAMH Services (Scotland) Limited financial statements.

b) Reconciliation of surplus for the year to net cash flow from operating activities

	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
Surplus for the year	1,214,281	1,746,806	1,214,886	1,766,976
(Gain)/ loss from investments	(159,177)	(497,117)	(159,177)	(497,117)
Finance Income	(1,465)	(45,224)	(1,465)	(45,224)
Depreciation	176,965	182,602	176,965	182,602
Gain on disposal	26,040	-	26,040	-
(Increase)/Decrease in debtors	(229,785)	(1,068)	(298,616)	80,513
Increase/(Decrease) in creditors	373,942	2,208,093	403,047	2,106,882
Increase/(Decrease) in provisions	382,586	(268,848)	382,586	(268,848)
Net cash inflow from operating activities	1,783,386	3,325,244	1,744,267	3,325,784

7. Revaluation of investments

	2022 £	2021 £
Gain on fixed asset investments	119,177	497,117
Gain on revaluation of investment property	40,000	-
	159,177	497,117

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

8. Analysis of Expenditure on Charitable Activities

Charity Analysis of Expenditure on Charitable Activities

	Community Based Services	Employment	Policy & Campaigns	Total 2022	Total 2021
	£	£	£	£	£
Staff Costs	10,996,566	505,173	1,628,266	13,130,005	11,747,265
Property Costs	1,108,850	19,449	17,729	1,146,028	1,056,391
Other Direct costs	1,475,822	134,299	1,233,514	2,843,635	2,641,416
Governance & Support	490,100	19,718	29,609	539,427	445,742
Total	14,071,338	678,639	2,909,119	17,659,096	15,890,814

Please note that the above costs are allocated on actual or activity as appropriate.

Charity Analysis of Governance and Support

	Staff Costs	Other Direct	Total 2022	Total 2021
	£	£	£	£
Governance	227,072	40,141	267,213	271,589
Support	181,007	91,207	272,214	174,153
Total	408,079	131,348	539,247	445,742

Please note the above costs are allocated on the basis of activity.

Consolidated Analysis of Expenditure on Charitable Activities

	Community Based Services	Employment	Policy & Campaigns	Total 2022	Total 2021
	£	£	£	£	£
Staff Costs	10,996,566	505,173	1,628,266	13,130,005	11,885,793
Property Costs	1,094,495	18,818	16,940	1,130,253	1,056,391
Other Direct costs	1,763,358	139,451	1,239,955	3,142,794	2,648,707
Governance & Support	490,100	19,718	29,609	539,427	445,742
Total	14,344,519	683,161	2,914,770	17,942,480	16,036,633

Please note that the above costs are allocated on actual or activity as appropriate.

Consolidated Analysis of Governance and Support

	Staff Costs	Other Direct	Total 2022	Total 2021
	£	£	£	£
Governance	227,073	40,140	267,213	271,589
Support	181,007	91,207	272,214	174,153
Total	408,079	131,348	539,427	445,742

Please note the above costs are allocated on the basis of activity.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

9. Tangible Fixed Assets for Charity and Group

	Heritable Property £	Investment Property £	Computer Equipment £	Office Equipment £	Vehicles £	Total £
Cost or Valuation:						
At 1 April 2021	3,561,058	4,150,000	1,109,401	599,881	35,532	9,455,872
Revaluations	-	40,000	-	-	-	40,000
Additions	-	-	84,062	-	-	84,062
Disposals	(80,000)	-	(5,035)	(13,785)	-	(98,820)
At 31 March 2022	<u>3,481,058</u>	<u>4,190,000</u>	<u>1,188,428</u>	<u>586,096</u>	<u>35,532</u>	<u>9,481,114</u>
Depreciation:						
At 1 April 2021	(1,401,847)	-	(910,905)	(597,457)	(34,545)	(2,944,754)
Charge for the year	(144,572)	-	(30,051)	(1,355)	(987)	(176,965)
Disposals	39,332	-	5,035	13,785	-	58,152
At 31 March 2022	<u>(1,507,087)</u>	<u>-</u>	<u>(935,921)</u>	<u>(585,027)</u>	<u>(35,532)</u>	<u>(3,063,567)</u>
Net book value:						
At 31 March 2022	<u>1,973,971</u>	<u>4,190,000</u>	<u>252,507</u>	<u>1,069</u>	<u>-</u>	<u>6,417,547</u>
At 31 March 2021	<u>2,159,211</u>	<u>4,150,000</u>	<u>198,496</u>	<u>2,424</u>	<u>987</u>	<u>6,511,118</u>

DM Hall carried out a valuation of Hayweight House as at 31 March 2022. DM Hall are considered an expert to complete the valuation and the valuation was completed by a registered valuer in line with the RICS Valuation – Profession Standards – Current Edition (The Red Book). The latest valuation was in the form of a desktop valuation and assumes no significant changes since the previous physical inspection by DM Hall in 2019. It also assumes that the property is in reasonable condition, commensurate with age, type and usage and is well maintained.

The floors used by SAMH are classified as heritable property and the remaining floors are classified as investment property. The heritable property element recorded a gain of £497,574, this has not been reflected in the financial statements as these are recorded at cost and depreciated over its expected useful life as set out in Note 1. The net book value of the property at 31 March 2022 is £457,773.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

10. Fixed Asset Investments for Charity and Group

	2022 £	2021 £
Balance at 1 April	2,372,174	1,859,735
Additions	5,191,284	169,445
Disposals	(277,990)	(154,123)
Revaluations	183,301	497,117
Balance at 31 March	<u>7,468,769</u>	<u>2,372,174</u>
<i>Comprising:</i>	2022 £	2021 £
Investments – market value	<u>7,468,769</u>	<u>2,372,174</u>
Investments – historic cost	<u>7,210,821</u>	<u>2,210,821</u>

All investments held are made up of listed equity investments with a publicly available price and available for immediate liquidation to cash although the intention is to hold these as long-term investments.

11. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade Debtors	1,226,917	993,924	840,463	461,758
VAT	-	-	22,289	21,960
Amounts owed by group and associated undertakings	-	-	12,889	90,180
Sundry Debtors	121,193	106,147	121,275	106,147
Prepayments and accrued income	515,808	534,063	515,808	534,063
	<u>1,863,919</u>	<u>1,634,134</u>	<u>1,512,724</u>	<u>1,214,108</u>

12. Short Term Investments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed term deposits	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

13. Creditors: amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
PAYE and national insurance	454,888	283,253	454,888	283,253
VAT	375,555	315,933	-	-
Deferred Income	3,368,807	2,896,427	3,368,807	2,896,427
Trade Payables	809,219	361,017	809,186	360,985
Sundry Creditors	179,802	45,466	179,802	45,466
Accruals	792,240	879,243	792,240	879,243
Amounts owed to group and associated undertakings	0	80	88,728	80
Payments received on account for contracts and performance related grants.	1,061,661	1,886,810	1,061,661	1,886,810
	<u>7,042,171</u>	<u>6,668,229</u>	<u>6,755,311</u>	<u>6,352,264</u>

Payments received on account for contracts and performance related grants relate to amounts received for which conditions for recognition of funding remain outstanding at 31 March 2022. These credit balances will be released as the conditions are met or repaid as required on a grant by grant basis up to three years.

Deferred income is where the donors specify that grants given to the charity must be spent in future accounting periods when the performance conditions are met. Grant conditions are expected to be met over the next five-year period.

14. Provisions for Liabilities and Charges for Charity and Group

	2022 £	2021 £
Balance at 1 April	1,085,862	1,354,710
Added during the year	607,036	-
Released during the year	(224,449)	(268,848)
Balance at 31 March	<u>1,468,449</u>	<u>1,085,862</u>

The balance of £1,468,449 is for provisions for onerous contracts. Where contracts are forecast to make losses these are estimated over the life of the contract. The estimates are revised annually and represent the lower of the costs of completing the contract or the costs of exiting the contract early if the contract allows this. These provisions are estimated based on the information available to management at the time of approval and include Glasgow services £897,124, Inverclyde services £127,919, Falkirk/Forth Valley services £177,833, West Lothian services £156,071, Edinburgh services £66,910, Aberdeen services £42,592.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

15. Restricted funds for Charity and Group

	Balance at 1 April 2021	Incoming Resources	Outgoing Resources	Balance at 31 March 2022
	£	£	£	£
Capital Reserve	136,448	-	(45,988)	90,460
Local Authorities	-	12,391,544	(12,391,544)	-
Health Boards	-	797,197	(797,197)	-
<u>Scottish Government</u>				
See Me	373,613	1,051,041	(1,298,630)	126,024
Respectme	146,236	301,705	(308,860)	139,081
Suicide National Programme	22,561	270,753	(270,753)	22,561
Summer of Play	-	54,000	(54,000)	-
Changing Rooms Extra Time	-	24,996	(24,996)	-
<u>BIG Lottery</u>				
Our Place	32,798	-	(21,975)	10,823
Let's Talk	7,477	-	(7,477)	-
<u>Movember</u>				
The Changing Room	9,752	86,274	(86,274)	9,752
<u>Other Funders</u>				
Co-op Partnership Funding	-	343,605	(343,605)	-
Morgan Stanley - Glasgow Connect	-	66,594	(66,594)	-
Sport Scotland Partnership	12,580	163,753	(135,321)	41,012
Foundation Scotland (Time for You)	-	61,250	(61,250)	-
Jo Malone	40,939	37,438	(30,974)	47,403
Scottish Sports Futures (Active to Grow)	2,933	32,163	(35,096)	-
Glasgow Communities Fund – Let's Talk Glasgow N.E.	7,148	53,759	(53,759)	7,148
Other	64,977	154,929	(145,426)	74,480
Total	857,462	15,891,001	(16,179,719)	568,744

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

15. Restricted funds for Charity and Group (continued)

Capital reserve

This represents grants received from funding partners for the purchase of capital equipment. Depreciation on these assets will be charged to this fund in line with the depreciation policy.

Local Authorities

This represents funding received to deliver a wide range of social care services including housing support, care at home and care homes, GP link workers, children and young peoples' services, therapeutic horticulture and employment.

Health Boards

This is funding received from Health Boards (NHS Greater Glasgow and Clyde and NHS Tayside) for our Individual Placement Support employment service and therapeutic horticulture respectively.

See Me

This represents funds received from the Scottish Government and Comic Relief for Scotland's anti-stigma and discrimination programme, See Me. Expenditure incurred will be charged against this fund.

Respectme

This represents funds received from the Scottish Government to fund Scotland's anti-bullying service, Respectme. Expenditure incurred will be charged to this fund.

Suicide National Programme

This funding received from the Scottish Government on behalf of the National Suicide Prevention Leadership Group (NSPLG) to provide Delivery Lead resources for two of the 10 Actions: Public Awareness and Campaigns and Action and Understanding and Engaging with At Risk Groups. We also receive resources to lead the Lived Experience Panel which brings together people with experience of suicide to influence the work of the NSPLG.

Summer of play

This funding was received from the Scottish Government as part of their summer of play initiative.

Changing Rooms Extra Time

This represents funding received from the Scottish Government to extend the Changing Rooms project

Big Lottery

Our Place is a community based gardening and outdoor space project. Improving and maintaining people's mental health and wellbeing through a programme of Social and Therapeutic Horticulture.

Let's Talk raises awareness of Mental Health to people in communities and third sector organisations through pop up gatherings and engagement events through talks, leaflets/ flyers promoting positive mental health and sign posting to know where to go to seek help

The Changing Room

Funded by Movember, the aim of this project is to increase social connectedness and reduce loneliness and isolation in men in their middle years. Our initial project was with Hibernian Football Club, this was then extended nationally with additional funding, including from Movember.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

15. Restricted funds for Charity and Group (continued)

Co-op Partnership Funding

Funded by staff fundraising in Co-op stores and funeral care business along with cause related marketing initiatives to support a new and ambitious community resilience programme. The aim is to build mentally healthy communities and target populations where the need is greatest.

Morgan Stanley – Glasgow Connect

The Morgan Stanley Glasgow Office raised £195K through staff fundraising to fund the Glasgow Connect project - a pilot whole school approach project working in disadvantaged areas in Glasgow. £47,000 is held as deferred income and will be released to match expenditure in FY2023

Sport Scotland Partnership

This is a national sport service offering design and delivery across various learning and development activities across key stakeholders such as Active Schools

Foundation Scotland

Time for You offers access to three different levels of mental health support for workers affected by the pandemic ranging from self-help resources, to access to talking therapies such as cognitive behaviour therapy. SAMH fund this service in addition to Foundation Scotland.

Jo Malone

Funding from Estee Lauder to support Redhall Walled Garden in Edinburgh.

Scottish Sports Futures

Working in partnership with Scottish Sports Futures to deliver mental health awareness and promote resilience and wellbeing through the power of sport. Participants are Young People at present aged between 11-14.

Glasgow Communities Fund

Lets Talk NE is about delivering face to face pop up gatherings and community engagement events as a means to get people talking and increasing knowledge about mental health.

Other

Comprises small grants from a range of funders.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

16. Unrestricted Funds

Charity Unrestricted funds

	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Unrealised Gains/losses £	Balance at 31 March 2022 £
Designated					
Renewal and replacement fund	309,626	165,808	(44,928)	-	430,506
Revaluation Reserve	942,115	-	-	159,177	1,101,292
Capital reserve	856,300	-	(65,440)	-	790,860
Investment Reserve	2,751,106	-	(257,134)	-	2,493,972
	<u>4,859,147</u>	<u>165,808</u>	<u>(367,502)</u>	<u>159,177</u>	<u>4,816,630</u>
Unrestricted					
General reserve	7,169,690	3,109,656	(1,563,535)	-	8,715,812
Total	<u>12,028,837</u>	<u>3,275,464</u>	<u>(1,931,037)</u>	<u>159,177</u>	<u>13,532,441</u>

Consolidated Unrestricted funds

	Balance at 1 April 2021 £	Incoming Resources £	Outgoing Resources £	Unrealised Gains/losses £	Balance at 31 March 2022 £
Designated					
Renewal and replacement fund	309,626	165,808	(44,928)	-	430,506
Revaluation Reserve	942,115	-	-	159,177	1,101,292
Capital reserve	856,300	-	(65,440)	-	790,860
Investment Reserve	2,751,106	-	(257,134)	-	2,493,972
	<u>4,859,147</u>	<u>165,808</u>	<u>(367,502)</u>	<u>159,177</u>	<u>4,816,630</u>
Unrestricted					
General reserve	7,273,769	3,392,434	(1,846,919)	-	8,819,284
Total	<u>12,132,916</u>	<u>3,558,242</u>	<u>(2,214,421)</u>	<u>159,177</u>	<u>13,635,914</u>

Renewal and replacement fund

In order to provide for replacement and refurbishment, each building based service contributes to this renewal and replacement fund. The charge is based on a pre-determined rate per property per annum less actual replacement costs incurred during the year. In cases where a service would incur a deficit as a result of the charge computed, the amount of the transfer to the renewal and replacement fund is restricted to an amount which would limit the deficit on that service to nil. This reserve is reviewed annually and anything surplus to future designated requirements would be removed to the general unrestricted reserve.

Revaluation reserve

This represents the net movements from the revaluation of the investment property element of Hayweight House and net movements of the fixed asset investments. This designated reserve is held to mitigate against fluctuations in the value of investments.

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

16. Unrestricted funds (continued)

Capital reserve

This represents the net book value of those tangible fixed assets not included within other funds. Depreciation on these assets will be charged to this fund in line with the depreciation policy.

Investment reserve

In August 2018, the Trustee Board revised the Reserves Policy to reflect the creation of the Investment Reserve to support future strategic priorities over the next 5 years.

General reserve

This represents the balance of funds held which have no restrictions over how they may be spent. All transfers affecting the general reserve also have an impact on other reserves and are explained in those sections.

The designation of reserves is subject to periodic review and approval by the trustees.

17. Analysis of net assets

Charity Analysis of net assets

	Restricted Funds £	Designated Funds £	General Reserve £	Total £
Tangible assets	83,772	4,190,000	2,143,774	6,417,546
Fixed Asset Investments	-	-	7,468,769	7,468,769
Debtors	1,479,400	-	33,324	1,512,724
Short Term Investments	-	-	-	-
Cash at bank and in hand	5,107,822	-	1,818,083	6,925,905
Creditors due within 1 year	(4,799,889)	-	(1,955,422)	(6,755,311)
Provisions	(833,343)	-	(635,106)	(1,468,449)
	<u>1,037,762</u>	<u>4,190,000</u>	<u>8,873,422</u>	<u>14,101,184</u>

Consolidated Analysis of net assets

	Restricted Funds £	Designated Funds £	General Reserve £	Total £
Tangible assets	83,772	4,190,000	2,143,774	6,417,546
Fixed Asset Investments	-	-	7,468,769	7,468,769
Debtors	1,479,400	-	384,519	1,863,919
Short Term Investments	-	-	-	-
Cash at bank and in hand	5,107,822	-	1,857,221	6,965,043
Creditors due within 1 year	(4,799,889)	-	(2,242,282)	(7,042,141)
Provisions	(833,343)	-	(635,106)	(1,468,449)
	<u>1,037,762</u>	<u>4,190,000</u>	<u>8,976,895</u>	<u>14,204,658</u>

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

17. Analysis of net assets (continued)

The designated funds are expected to be moved to unrestricted reserves over a period ranging between one year and fifty years in line with the depreciation of the assets or use for other purposes for which the funds have been designated. In the opinion of the Trustees, the assets of each fund are sufficient to meet the future liabilities of each fund.

18. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. Included in the consolidated financial statements is SAMH Services (Scotland) Limited (SSSL). The trading company provides an amount of corporation tax which through gift aid will be paid to SAMH from the distributable profits of SSSL.

UK Corporation tax rate is 19 percent (2021: 19 percent).

19. Financial commitments for Charity and Group

The annual commitment under non-cancellable operating leases was as follows:

	2022 £	2021 £
Leases expiring:		
Within one year – property	21,132	14,787
Within two to five years - property	<u>3,987</u>	<u>4,161</u>
	<u><u>25,119</u></u>	<u><u>18,948</u></u>

20. Notes to the Consolidated statement of cash flows

a) Gross cash flows:

	2022 £	2021 £
Returns on investments and servicing of finance:		
Interest received	1,465	45,224
	<u>1,465</u>	<u>45,225</u>
Capital expenditure:		
Payments to acquire tangible fixed assets	(84,060)	(67,110)
Payments to acquire fixed asset investments	(5,032,359)	(15,322)
Receipts from sales of investments	66,707	1,007,070
	<u>(5,049,712)</u>	<u>924,638</u>

b) Analysis of changes in net funds:

	At 1 April 2021 £	Cash flows £	Other changes £	At 31 March 2022 £
Cash at bank and in hand	9,227,044	(2,262,000)	-	6,965,043
	<u>9,227,044</u>	<u>(2,262,000)</u>	<u>-</u>	<u>6,965,043</u>

Notes to the Financial Statements for Charity and Group (continued)

for the year ended 31 March 2022

21. Related Party Transactions

SAMH supplies services to SAMH Services (Scotland) Limited. These transactions are on an 'arms-length' basis and costs charged to SAMH Services (Scotland) Limited are calculated on the basis of activity. During the year these amounted to £5,219,031 (2021 £4,985,242). At 31 March 2022, SAMH Services (Scotland) Limited owed SAMH £12,889 At 31 March 2021 SAMH owed SAMH Service (Scotland) Limited £90,180.

22. Pension commitments

The parent company operates two defined contribution pension schemes (Group Personal Pension Scheme). The assets of the scheme are held separately from those of the company in independently administered funds.

The pension cost charge represents contributions payable by the company to the funds and amounted to £79,121 (2021 £83,045) and £183,332 (2021 £173,531).

23. Group of Consolidated Companies

The results of SAMH Services (Scotland) Limited Registration number SC464846 are consolidated in the group financial statements.

Mental Health Scotland Ltd Registration No. SC613946 was established in 2018. For the year ended 31 March 2022 Mental Health Scotland was entitled to exemption from audit under section 480 of the Companies Act relating to dormant companies and therefore has not been integrated into the Group financial statements.

For the year ended 31 March 2022 Angus Mental Health Association (AMHA) Registration No. SC220760, Charity Number SC022544 was entitled to exemption from audit under section 480 of the Companies Act relating to dormant companies. AMHA has not been integrated into the Group financial statements as their influence on the Group's net assets, financial position and results is not material.