

Scottish Association for Mental Health

SAMH Group Report and Financial Statements

Year Ended 31 March 2023

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 2023.

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

Shona Littlejohn	Acting Chair
Ross McAdam	Treasurer
Elizabeth Humphreys	Chair of the Audit and Risk Committee
Jamie Kinloch BEM	
Rev Stuart MacQuarrie	
Dr Alexandra Wright	
Rachel Birch	
Barry Fitzsimmons	
Stuart MacKenzie	
Ruth Moss	

Executive

William J Watson:	Chief Executive
Jason E Bryce:	Chief Operating Officer/Company Secretary
Joanne Anderson:	Executive Director of Influence and Change
Alex Cumming	Executive Director of Operations
Hazel McIlwraith	Director of Fundraising and Major Appeal

Independent Auditor

Ernst & Young LLP
5 George Square
Glasgow G2 1DY

VAT Adviser

Grant Thornton UK LLP
8th Floor, 110 Queen Street
Glasgow G1 1DR

Bankers

Bank of Scotland
20-22 Shandwick Place
Edinburgh EH2 4RN

Solicitors

Lindsays
Caledonian Exchange
19A Canning Street
Edinburgh EH3 8HE

Investment Advisers

Barclays Investment Solutions Ltd
155 St Vincent Street
Glasgow G2 5NN

RBC Brewin Dolphin Ltd
Sixth Floor, Atria One
144 Morrison Street
Edinburgh EH3 8BR

SAMH Registered Office

Brunswick House
51 Wilson Street
Glasgow G1 1UZ

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 2022/23 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, the impact of the cost of living crisis, transitioning out of the pandemic and being subjected to an unprecedented cyber-attack just before the start 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 delivered the second year of our organisational strategy “We Won’t Wait” which sees 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 across Scotland.

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

Centenary Year

The year 2023 is significant for SAMH as we will be celebrating our centenary year, marking 100 years of being there for Scotland’s mental health.

We want to use our centenary to bring people together, to share our history, recognising our contributions and achievements over the years, but most importantly use this milestone as a catalyst to drive forward our future ambitions - to be there for people, especially those who need help with their mental health, providing support when and where they need it.

We have a full schedule of events across the year including public lectures, cultivation events and staff festivals culminating in a gala dinner. Whilst most of the activity will take place during 2023/24, a significant amount of planning has been undertaken during 2022/23. One significant moment in this year was our launch event at Paisley Abbey in March 2023 bringing together 100 guests to celebrate 100 years in the birthplace of our founder.

Pandemic Response

Whilst the impact of the pandemic was lessening throughout the year, we were still subject to restrictions around our care and service delivery in the early part of 2022. Our contingency planning, implemented at the very start of the pandemic (March 2020) continued to evolve and respond to changing restrictions. During this time, we continued to ensure the safety of our staff, service users and people who engaged with us remained the utmost priority.

During early 2022/23 our focus was on the full reopening of services that had previously been offering blended, digital and/or telephone support; the ongoing transition back to office spaces; and the restart of community and fundraising events and activities.

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

Strategic Report (continued)

representatives to work collaboratively to respond to the continued challenges being faced. We also concluded 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 assessing suicidal behaviour and self harm across the population.

Cyber-Attack

In March 2022, SAMH was the subject of a sophisticated ransomware cyber-attack that seriously affected our network and resulted in the release of data to the dark web. Following the attack Management focused on re-establishing operations systems, informing impacted data subjects, supporting formal investigations and, in partnership with external cyber security experts, enhancing our security architecture. Police Scotland and the Information Commissioners Office (ICO) have completed their investigations and in the case of the ICO they stated that SAMH “demonstrated that adequate policies and procedures were in place to manage and mitigate risk. Appropriate personnel were in place to review and implement security changes, and the overall security culture appears to be appropriate”.

Strategy 2021-24 – Year 2

Overview

Despite the challenges of the external environment and at the beginning of the year, we continued to deliver our three-year strategy ‘We Won’t Wait’. https://www.samh.org.uk/documents/SAMH_Strategy-We_Wont_Wait.pdf

Our 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

Children and
Young People

Year 2 is our first full year of focused strategy delivery. At the beginning of the year, the cyber-attack impeded progress with Executive Team and Senior Management Group (SMG) necessarily having to take on significant roles in responding to the situation. However, whilst delayed, strategic activity continued over this period.

Strategy Implementation Approach

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

A 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). These multi-disciplinary groups continued to deliver a strong performance throughout the year, focused on key planning

Strategic Report (continued)

milestones and deliverables against strategic outcomes and working cross-organisationally. As well as quarterly reporting, representatives from each of the SIGs attended Executive Team meetings on a quarterly basis (i.e. four times a year) to discuss progress, engage in collective problem solving and take key decisions.

Whilst SIGs have not been established for the four Areas of Focus (Workplace, Physical Activity and Sport, Children and Young People and Anti Stigma and Discrimination and Anti-Bullying), a similar opportunity for engagement has been created including periodic attendance at Executive Team meetings and regular meetings with the Chief Executive and Strategy Implementation and Development Manager to discuss progress and support future planning and development. This new leadership approach, learning lessons from previous plans, has ensured wider strategy ownership, engagement and dissemination.

A second strand to our strategic framework is our Change Management Programme (CMP). This consists of 6 cross cutting development priorities and areas required to support and enable our strategy implementation. CMP requirements are considered by strategic leads and during 2023/24 Executive Team will be implementing a system to consolidate and assess progress, similar to that of the strategy outcomes.

Throughout the year we continued to evolve strategy performance monitoring and reporting. Quarterly reports updating on activity and performance against outcomes are assessed, applying a red, amber, green rating. This is achieved through a blend of self-reporting and further assessment by the Chief Executive and Strategy Implementation and Development Manager.

The key priorities for the performance monitoring and reporting approach is to provide a streamlined 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 Executive Team monthly.

Strategy – Leadership and Engagement

We continued to invest in leadership and engagement throughout the year which has ensured wider ownership across the strategy.

Strategy implementation is discussed at every Executive Team meeting where we review progress across objectives in totality with focus on specific strategic areas and in-depth progress reports, collective problem solving and action planning.

The Senior Management Group (SMG) comprises of the senior leaders within the organisation and has met periodically throughout the year to collectively plan strategic delivery. Members of the SMG also lead and participate on the SIGs across our three strategic priorities ensuring collective leadership, delivery and communication of our strategy.

Strategy – Overall Progress

Across the 43 outcomes, up to 40 have been in scope in any one quarter. The quarterly tracking has indicated a positive trend from the beginning to the end of the year.

	Red	Amber	Green	Total Active
Q1	1	15	23	39
Q2	0	15	24	39
Q3	0	11	29	40
Q4	1	7	30	38

Strategic Report (continued)

As part of planning for year three, decisions will be taken on which outcomes are now considered concluded and require revision; planning the activity for the small number of outcomes that have previously not been in scope and agreement on any other minor amendments required.

Key Highlights:

- Psychological Wellbeing – testing and development of new models and pathways allowing people to self-refer to psychological support; achieving significant reach and impact and our ethos of Ask Once, Get Help Fast.
- Suicide Prevention – reaching agreement for enhanced delivery and resources in the North East of Scotland, successfully delivering a multi-media campaign and advancing lived experience movements.
- Care & Support – development and testing of a new Quality Assurance Framework and successes within business development including new and retention of existing services and employability programmes.
- Workplace – increased offers, delivery capacity and profile.
- Physical Activity & Sport – significant growth in programmes, diversity and partnerships.
- Children and Young People – increased reach across a number of programmes.
- Anti-Stigma & Discrimination and Anti-Bullying – achievement of objectives agreed with funders.

We believe significant momentum has been achieved to embed the strategy more deeply in the organisation and greater levels of empowerment are in place within a wider team. We expect acceleration on the delivery of outcomes in the 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 across our work are detailed in the table below.

2022/23	2021/22	Services
c20,000*	9,992	People supported through our community-based services.
143	263	Suicide interventions carried out by SAMH staff.
		Training Resources
13,998	10,630	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).
20,313	27,751	People completed our Well-being Assessment Tool.
		Public Affairs
7	5	MSPs and MPs visited SAMH services.
17	20	Significant UK and Scottish Government consultations responded to; briefings issued and evidence provided.
		Information
5,322	6,141	Enquiries responded to from individuals requesting information, resources and help-seeking advice.
33,912	43,271	Resources accessed including downloads through our website.
8,211	16,385	Unique visits across our Covid-19 Hub pages.
		Media Engagement
79,152	73,000	People engaging with us through social media.
1,850	2,080	Mentions in the media including radio and television covering our work.
		Supporters and Events
20,975	18,000	Number of supporters.
3,565	1,375	People who took part in one or more fundraising activity.
55	53	Active corporate partnerships during the year.
		See Me and respectme
282	292	Employees trained through See Me workplace e-learning modules.

Strategic Report (continued)

11,590	14,444	See Me materials and training resources downloaded.
2,350	546	Professionals, parents, carers participated in training utilising our anti-bullying resources.
18,275	7,225	Resources accessed including 'anti-bullying' leaflets downloaded. <i>(excludes verifying downloads).</i>

* The increase in this figure primarily relates to a number of time limited community based programmes delivered throughout the year as part of the Co-op partnership (concluding during 2023/24); additionally a new SU records system was launched and integrated within the year leading to some minor impreciseness in data.

Care and Support

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

- Our revised approach to retendering stood us in good stead with successful retention of a number of key services, including Aberdeen GP Link Workers. We also achieved a good number of new services including DBI, IPS and Supported Living.
- More broadly we have standardised our key delivery models across service and employment delivery and developed a proactive marketing and development plan for execution 2023/24.
- Our employability services continue to deliver strong performance with 264 individuals started across all employment services, with 114 people entering employment. We have also delivered group work in our Glasgow Young Person's service. This model is based on our Tools for Living service and has provided great feedback from participants.
- As part of our UK wide charity partnership with The Co-operative Group (Co-op) we have continued to expand delivery across 16 programmes and projects across Scotland with a focus on building community resilience, engaging a record number of people (10,000+).
- We developed and tested our new Quality Assurance Framework, undertaking significant engagement work with Managers and Team Leaders, this is currently being piloted and is expected to be rolled out 2023/24.
- We invested in and transitioned across to a new system (Access Care Planning) around service user records which should improve information recording and data available.
- Similarly to the wider care sector, recruitment and retention of staff across all services continues to be challenging. 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 both the overarching organisational strategy and our pre-existing suicide prevention strategy, launched in 2019. Key aspects of this activity include:

- 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 the continued delivery of United to Prevent Suicide and the hosting of the Lived Experience Panel.
- Engagement and influencing of the new Scottish Government Suicide Prevention Strategy and Delivery Plan through stakeholder engagement, responses to consultation and meeting key officials as part of wider group and independently.
- Further expansion of our enhanced programme/approach in the North East across Aberdeen City, Aberdeenshire and Moray, including a focus on capacity building, training and campaigns and engaging with target/priority groups and audiences. This further expansion in the years ahead will see significantly increased reach and impact.
- Invested in and delivered our multi-media suicide prevention campaign 'Ask Them About Suicide' to encourage everyone to feel confident to ask the question if they were worried about someone. The TV ads reached 2.4 million adults in Scotland. This resulted in half a million people taking action and almost quarter of a million people speaking to family and friends as a result of seeing the campaign.

Strategic Report (continued)

- Following successful completion of our first PhD study in 2021/22, we commissioned a second PhD with University of Glasgow's Suicide Behaviour Research Lab (SBRL), to understand stigma and suicide (currently in its first year) and we have entered a retainer agreement with SBRL to provide research to support particular pieces of work and training.
- Delivering our capacity-building programme with Glasgow Caledonian University (GCU) with training being delivered to around 260 academic and other staff across all of the faculties during the year.

Psychological Wellbeing

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

- We continued to charitably invest in delivering our psychology based models and offers including Time For You to provide quick, self-referral access to a range of therapeutic based interventions and supports. Across the year it has engaged with 239 individuals.
- Complementary to this we are providing the digital offer Qwell which has been accessed by 965 individuals.
- We have invested in our Information Service to expand access and information offers, testing it as a pathway to other self-referral based programmes and we now have a Live Chat function available on our website. We responded to 5,322 enquiries in the year.
- We successfully delivered our existing Distress Brief Intervention (DBI) programme across the national pilot, expanded our delivery through the Covid-19 response and other associate programmes, and have begun delivery to younger groups (aged 15+) in some areas.
- We were delighted to be successful in the tender exercise to continue to deliver our GP Link Worker service across all practices in Aberdeen City.
- We engaged Glasgow Caledonian University (GCU) in an academic partnership to provide clinical governance/oversight, beginning with an audit and best practice review of our existing offers / programmes.

Workplace

In a year disrupted by turnover, Workplace training saw a strong end to the financial year 2022/23, key activity included:

- We tested a new digital workplace platform with warm partners to understand functionality and development requirements; this will be superseded by an enhanced version during 2023/24 and we are exploring wider application / use of the platform outwith workplace.
- During the year we delivered 327 courses, training 4,301 participants to a mixture of corporate, statutory and charitable organisations.
- Two new products – Menopause & Mental Health and Trauma and Mental Health, were developed. These products are due to be launched in early 2023/24.
- Our requirements within the NHS Greater Glasgow and Clyde contract were successfully delivered.
- We continued our engagement with our existing partners to develop and test new workplace products.
- Our external presence and engagement increased allowing us to build new relationships.
- We improved internal integration and stewardship for key clients between workplace and other areas such as corporate fundraising, physical activity and sport and See Me.

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 entered its final year of the current agreement which saw us continue to deliver our programmes and we launched the 'Feel Your Personal Best' campaign. We are delighted the partnership has been renewed with expanded resources and for a longer term.
- 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 20 professional / semi-professional football clubs across Scotland. Additionally, we continue to be funded to deliver Changing Room Extra

Strategic Report (continued)

Time across four large clubs which focuses on enhanced elements of the programme to target new audiences and to improve entry and exit pathways for participants. We have been testing the Changing Room model with young women and hope to expand this programme further.

- The second phase of the Mental Health Charter for Physical Activity and Sport was launched May 2022 with a broader focus on engaging and supporting local community-based clubs to develop their approaches to mental health and wellbeing. To date we've had 160 main charter signatories and 119 club and community signatories.
- We have also developed and delivered other programmes alongside partners including Gain the Advantage 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:

- We developed and tested two Listen and Link CYP Link Worker services in Glasgow and Edinburgh, engaging with young people either on the waiting list or who have been rejected from Child and Adolescent Mental Health Services (CAMHS). Both are showing improvement in Warwick-Edinburgh Mental Well-being Scale (WEMWBS) results for individuals and we are pleased that these have had funding extended for a further year.
- We were delighted in the year to receive funding to deliver a Parent and Peer mental health programme in South Lanarkshire, providing capacity building and support for parents and young people to better engage with young people experiencing mental health problems. This is both a new programme and geographical area for SAMH.
- Time For Me – a resilience and capacity building programme for young people was delivered in Aberdeenshire and Edinburgh engaging with 97 young people to date.
- We delivered 314 capacity building workshops to 5,185 individuals including young people, parents/carers, education staff and third sector organisations.
- Our Let's Talk programme has received continuation funding in South Ayrshire.

Anti-Stigma & Discrimination and Anti-Bullying

Both of our national programmes: See Me – anti-stigma and discrimination and respectme – anti-bullying, have delivered key activities across the year including:

respectme

- Anti-Bullying Week 2022 took place 14-18 November where we launched the '[Listen Up! \(Respect our Rights\)](#)' campaign. This was co-designed with the programme's Youth Action Group who then met with Cabinet Secretary for Education and Skills, Shirley-Anne Somerville during the awareness week.
- The new 'respectme Reward' self-assessment platform was launched in March 2023 with an accompanying animation, how to use guide, and information film. 36 schools have signed up to participate and over half of Scotland's Local Authorities reached.
- We delivered and concluded a series of inputs to over 340 Glasgow City Council senior education leaders, working in partnership with the local authority quality improvement and educational psychology teams.
- We hosted two Change Maker events took place on the topics of "Body Image, Appearance & Bullying" and "Are You Change Ready" aimed at decision makers to hear from a range of subject matter experts and the findings from a series of youth focus groups.
- The respectme Learning Academy launched new e-learning modules last year. To date 1,132 people have completed at least one module. The team are working with a number of local authorities to embed the Academy as a core offer to support their anti-bullying and inclusion work.

See Me

- The theme for Time to Talk Day 2023 was to 'make space in your day for a conversation' and was supported across the UK by the Co-op partnership. In Scotland, over 330 organisations and volunteers

Strategic Report (continued)

put on activities for the campaign including a flagship event at the Riverside Museum in Glasgow. The campaign trended at number one on Twitter throughout the day.

- The [Scottish Mental Illness Stigma Study](#) launched in September explores where and how people with more complex mental illness face stigma and discrimination. This in-depth study, the first of its kind in Scotland, reveals stark findings including: 92% of respondents tell us they have experienced stigma in relationships with family and friends in the last year, and of those, 82% expect others would not want to be their friend due to their mental illness. This is being used to influence national policy agendas.
- We participated in the global anti stigma alliance meeting to share our work and learn from international best practice. We have committed in the future to provide expertise to a working group on best practice in reducing mental health stigma; work with programmes in Australia and Canada to share common themes and learn from our individual studies on stigma; adopt approaches to influence stigma reduction in work and health care settings to trial and potentially roll out in Scotland.
- We launched the See Me in Work Portal launch alongside the Scottish Government mental health in work website in August 2022
- We undertook two pieces of targeted work, firstly, the creation of new guidance for planners and service providers on addressing stigma in perinatal and infant mental health. Secondly, the development and delivery of a campaign for veterans who were identified as a group facing particular stigma in relation to help seeking.
- We submitted consultation responses throughout the year for the Scottish Mental Health Law Review, National Mental Health Strategy, Suicide Prevention Strategy and National Care Service.

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

- Cross Party Group on Mental Health: we provide effective secretariat to the group since its reforming post Scottish Parliament elections and it has over 100 members, including 10 MSPs.
- In November 2022 we hosted a parliamentary reception, taking the opportunity to celebrate our partnership with the Co-op. Over 90 guests attended including 11 MSPs from across Scotland's political spectrum and the Minister for Mental Wellbeing and Social Care who spoke at the event.
- The 2022 independent assessment of our engagement with MSPs report shows continued positive results including: 93% of MSPs believe SAMH is effective in fulfilling its key purpose, and 93% of MSPs have a favourable view of SAMH.
- Related to the 'Ask Them About Suicide' campaign, we hosted a drop in event at the parliament for MSPs to discuss SAMH's suicide prevention work. On the day we met with 17 MSPs and 4 staff members attending on behalf of their MSP.
- We sent 'Welcome Packs' to the 1,227 councillors who were elected in the May 2022 local authority elections.
- We responded to a number of consultations, evidence requests and engagement exercises over the year including:

Government Consultations

- Mental Health Directorate: Stakeholder Consultation on National Care Service.
- Mental Health Law Review.
- Mental Health and Wellbeing Strategy.
- National Specification for the Delivery of Psychological Therapies and Intervention.
- Quality Standards for Adult Secondary Mental Health Services.
- Social Security.
- Suicide Prevention Strategy and Action Plan for Scotland.

Strategic Report (continued)

Parliamentary Consultations

- Assisted Dying for Terminally Ill Adults (Member's Bill - Liam McArthur MSP).
- Disability Commissioner (Member's Bill - Jeremy Balfour MSP).
- Disability employment gap inquiry (Economy and Fair Work Committee).
- Inquiry into female participation in sport (Health, Social Care and Sport Committee).
- Inquiry into health inequalities (Health, Social Care and Sport Committee).
- National Care Service Bill Stage 1 Call for Views (Health, Social Care and Sport Committee).

Engagement, Reach and Information:

Over the year we have:

- An average of almost 90,000 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.
- 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.
 - Scottish Government Mental Health Stakeholder Group.
 - National Drugs Mission Oversight Group.
 - Coalition of Care and Support Providers in Scotland (CCPS).

Strategic Partnerships

In addition to our partnerships detailed above, we have continued to progress a number of our strategic partnerships, most notably:

- Continuation of our partnership with our sister organisation Mind and expansion to include Inspire Wellbeing in Northern Ireland, creating a fully UK-wide partnership. A revised partnership agreement has been under development during 2022/23, launching early 2023/24.
- Our partnership with STV was particularly beneficial during our suicide prevention campaign.
- A number of partnerships have been established around workplace 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

Our Ambassador Sir Chris Hoy continued to lend his support to the whole organisation. Alongside social media, he provided a message for our centenary launch event in March 2023 and will be engaged at various points throughout 2023/24.

Fundraising

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

- Co-op Partnership: we were delighted the fundraising element of the partnership continued into the early part of the year (formally ending in July 2022). In addition, we were shortlisted for a number of awards including: Better Society Awards (Partnership with a Health Charity), Third Sector Awards (Corporate Partnership of the Year), Scottish Fundraising Awards (Best Partner Relationship - Corporate, Trust or Major Donor) and the Third Sector Business Charity Awards (Charity Partnership - Consumer Goods/Food & Beverage and Employee Engagement Initiative of the Year); winning two awards along the way.
- Other Charity Partnerships successes in the year include: Deloitte Edinburgh, ANM Group in Aberdeenshire and HSBC.

Strategic Report (continued)

- Jo Malone London has supported SAMH since 2013. However, they have confirmed this was their final year in partnership with us as they want a global charity partner that all of their country markets could support. To date Jo Malone has donated over £260k and we are grateful for their amazing support over this time.

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:

- we received donations from 3,565 supporters across the year from a mixture of donors, regular givers, event participants, supporter led activity, and corporate partners.
- 564 participants took part across 15 third party fundraising events last year, with a record number of 158 people taking part in Edinburgh Marathon Festival.

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.

This year sees a significant milestone for the organisation as we reach our centenary year and a number of events will take place during the course of 2023 to mark the occasion.

To ensure the wellbeing of our staff we are continuing to invest on our People and Organisational Development plan and workforce wellbeing.

Equality, Diversity & Human Rights

As an organisation, SAMH is committed to promoting equality and diversity throughout the organisation and aim to represent the communities we are here to support. We aim to have a truly diverse organisation – diversity of thought, background, experience and of all protected characteristics. We champion an inclusive, human rights and people-centred approach for colleagues, the people we support and in everything we do.

Being customer focused and person-centred is one of our quality management principles and feeds into the self-evaluation process for services. As part of this, colleagues reflect on the impact of their work to ensure service user support is tailored to their needs, rights and choices. Service users' feedback and views also support the evaluation process.

The internal Wellbeing Framework details our organisational commitments to leadership, culture, health, life-work balance and zero tolerance to stigmatising or discriminatory attitudes or behaviours. No one should experience discrimination in their engagement with SAMH and our Respect at Work Policy and training details that bullying and harassment are not acceptable and contrary to SAMH values of dignity, respect and equality.

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 particularly 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 an interview. There is equality and diversity training in place for all colleagues and our managers are also trained and supported by our experienced Human Resources team to ensure compliance with legislation and best practice people management.

Strategic Report (continued)

As part of the recruitment campaign for new SAMH Trustees we reviewed our approach and recruitment channels to ensure this was inclusive to all. We engaged with an external partner, Changing the Chemistry, to act as independent advisors to support our aim to encourage diversity across the Trustee Board.

In relation to pay equality, we are proud to be an accredited Living Wage Employer and the current minimum rate of pay remains above the Living Wage rate. We published our 2022 Gender Pay Gap report in line with regulations. The Gender Pay Gap for 2022 was -5.24% (median) and 1.13% (mean), significantly lower than national averages.

Employee Engagement

People are the heart of everything we do at SAMH. We are proud to have continued to provide person-centred support to increasing numbers of people across Scotland every day; made possible through the dedication, skills, compassion and resilience of SAMH colleagues.

We align our employment practices to the Scottish Fair Work Convention Framework and subscribe to the belief that fair work is work that offers effective voice, opportunity, security, fulfilment and respect. Our People and Organisational Development Framework continued to set 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.

As part of the engagement and culture theme we issued regular colleague communications, highlighted developments and achievements and promoted the 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 colleagues; utilising a range of approaches, such as: leadership engagement 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 colleagues on mental health, suicide prevention and equality and diversity. We offer colleagues two paid wellbeing days off per year to focus on their own wellbeing and self-care, there was an increase in colleagues utilising this option (88%). We also offer all teams a wellbeing allowance to spend as they choose in support of individuals' wellbeing.

We continued to invest in workforce development opportunities for colleagues with a mix of face-to-face, remote and over 100 online learning modules using the learning platform, LearnPro. Management development modules were also available online and face to face workshops. We diversified our suppliers for mandatory qualifications, to ensure coverage and increase capacity. We also increased our capacity to deliver suicide prevention training, in support of the SAMH Suicide Prevention Campaign. Workforce development has been considered within each SIG to align plans with strategic aims.

Under the theme of enabling systems and tools, in the last financial year we embedded new systems for HR and Care Planning providing self-service access for colleagues and continued to offer training opportunities and buzz sessions to support and build confidence using new tools.

Resourcing has continued to be a focus in the last year, with a recruitment working group, action plan developed and improvements to recruitment marketing approaches.

As part of reward and recognition, we implemented a one-year pay settlement for 2022/23 of 5% or a minimum of £1,500 following negotiation with the recognised union (Unite the Union). We also paid a non-

Strategic Report (continued)

consolidated £500 to each employee. Additionally, we increased mileage allowances and promoted advances for expense claims to support colleagues during the cost of living crisis. We continued to hold regular positive and productive meetings with the union on many workforce 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 (the Act) 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 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 2023.

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.

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 further changes and pressures upon staff over this year have strengthened our commitment to protect their wellbeing and create opportunities for their engagement in key decision making processes (see page 14).

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 14).

Regular communication with staff has continued in the year with the use of multimedia formats, providing updates on organisational developments.

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 7 to 13). During the year we have continued to develop and test our Quality Assurance Framework. This has been enhanced with the roll out of a new Care and Support platform (Access Care Planning) which will support the continued drive to improve services and outcomes for service users.

Strategic Report (continued)

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 2022/23, including expanding our Information Service with the launch of web chat and online resources supported through our Co-op partnership, 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 respectme 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.

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 20). Our investment approach is to achieve a balance between investing in ethical based funds and capital growth (page 20).

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.

Strategic Report (continued)

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 (GHG Protocol) Corporate Reporting Standard 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.

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).

Strategic Report (continued)

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 2023. 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	1 April 2022 to 31 March 2023	Percentage increase in consumption
Natural Gas	Scope 1	Kilowatt hour (kWh)	1,049,835	1,108,359	5.57
Grey Fleet	Scope 3	Kilowatt hour (kWh)	295,786	362,124	22.43
Electricity	Scopes 2 & 3	Kilowatt Hour (kWh)	277,161	335,563	21.07
Burning oil	Scope 1	Kilowatt Hour (kWh)	-	219,867	-
Owned Vehicles	Scope 1	Kilowatt Hour (kWh)	2,569	1,765	(31.30)
Total Energy Consumption (kWh)			1,625,351	2,027,678	24.75

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	1 April 2022 to 31 March 2023	Percentage of GHG Emissions	% Change on Baseline Year
Scope 1	tonnes CO2e	192.3	259.2	61.9	35
Scope 2	tonnes CO2e	53.6	64.9	15.5	21
Scope 3	tonnes CO2e	72.4	94.6	22.6	31
Total GHG Emissions	tonnes CO2e	318.3	418.7	-	32
GHG Emissions Intensity 1	tonnes CO2e/£M turnover	15.9	19.7	-	24

Total GHG Emissions for Scope 1 and Scope 2 for the year ended 31st March 2023 is 418.7 tonnes CO2e. Of our total GHG emissions, Scope 1 accounts for 61.9%, Scope 2 accounts for 15.5%, and Scope 3 accounts for 22.6%. Our GHG Emissions CO2e Intensity per £M turnover is 19.7 tonnes CO2e.

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.

Strategic Report (continued)

Key financial results:

Group income at £21,250,058 (2022 £19,632,376) has increased by 8.2% on the previous year. At £20,514,104 (2022 £18,577,274) expenditure has increased by 10.4%. The group surplus for the year of £393,272 (2022 £1,214,280) includes an unrealised loss on investments of £342,682 (2022 gain of £159,177). The result comprises an increase in unrestricted funds of £330,452 and an increase in restricted funds of £62,819. Notes 14 and 15, pages 48-52 provide further information on restricted and unrestricted funds.

Fundraised income in total in the year was £3,291,502 (2022 £2,971,039); £2,870,211 from Donations and Legacies (2022 £2,277,268) and £421,291 (2022 £693,771) from Trusts and Foundations included within income from Charitable Activities in the SOFA. Legacies received in the year amounted to £98,338 (2022 £1,000).

In June 2019 the organisation purchased the three remaining floors of Hayweight House in Edinburgh for £2,914,069. Of the six floors, one floor is occupied by the organisation and is classified as a tangible asset for accounting purposes. The remaining five floors not used directly in the business have been classified as Investment Property and are 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 2023 the building was valued at £5,200,000 with the five investments floors valued at £4,190,000, which is unchanged from 31 March 2022.

There is an unrealised loss of £342,682 on our investment portfolios with the funds managed by Barclays making a loss of £138,224 and the portfolio managed by RBC Brewin Dolphin making a loss of £204,458. These losses reflect the volatility of global markets in the current economic climate.

Cash held at 31 March was £3,520,045 (2022 £6,965,043). The decrease of £3,444,998 reflects that the balance as at 31 March 2022 was unusually high due to delays in making outward payments as a result of operational issues following the cyber-attack. The change also reflects the increase in debtors and decrease in creditors.

Restricted reserves of £631,563 include £546,104 which are restricted by the funder for a specified purpose and will be spent in future years. The remaining £85,459 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 26 below and Note 1 pages 38-41).

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 27 weeks (2022 24 weeks) free reserves which is in line with the policy. (Note 1 pages 38-41).

Additional information on each of the reserve funds can be found in the notes to the financial statements (Notes 14 and 15, pages 48-52).

Strategic Report (continued)

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 £11.6 million (2022 £12.4 million); with £9.6 million (2022 £7.2 million) coming from other sources. (Further information on funding sources is detailed in Note 3, page 40 and Note 14, pages 47-49).

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 31 days after the date of the invoice (2022 33 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 RBC Brewin Dolphin to manage the investment funds.

The valuation of our portfolio on 31 March 2023 was £7,105,451 (2022 £7,468,769), a decrease of £363,318 on last year's reported valuation reflecting volatility in financial markets as a result of the global economic environment. The cost of managing the portfolio was £30,470 (2022 £22,626).

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.

This year SAMH initiated a programme to review our approach to Risk Management that included revising our Risk Management Framework, strengthening the “bottom-up” reporting of key risks and controls, and supporting with effective identification and assessment of risks in teams across the organisation.

Below we summarise the key risks in each of the relevant risk categories.

Principal Risk	Primary Mitigation
Financial	
Financial position deteriorates due to increasing costs not being matched by income generation.	<ul style="list-style-type: none"> Detailed budget-setting process and development of financial plans 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. Systems for strategic financial planning, budgeting and financial performance monitoring in place. Continuous monitoring of portfolio and income pipelines to develop opportunities to diversify and grow portfolio.
Strategy	
Do not deliver key elements of the strategy.	<ul style="list-style-type: none"> Strategy Implementation Groups well established to provide implementation guidance, oversight and reporting to Executive and Trustees.
Operational	
Challenges in recruiting required number of staff to meet operational requirements.	<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. Human Resources department have developed a detailed recruitment action plan.
Duty of care to Service Users not met, including risk of safeguarding concerns.	<ul style="list-style-type: none"> Quality Assurance Framework (QAF) key in mitigating risk: QAF developed, and pilot has commenced. Roll out of QAF planned for 2023/24 and will provide a consistent approach to monitoring and reporting on service delivery. Safeguarding of children and vulnerable adults through rigorous employment checks, mandatory training for all staff, designated safeguarding leads to provide guidance to staff.

Strategic Report (continued)

Principal Risk	Primary Mitigation
Regulatory and Compliance	
Breach of key legislation concerning Health and Safety and Data Protection	<ul style="list-style-type: none"> • Full review of Health and Safety provision undertaken in 2022/23 to ensure compliance with relevant legislation and good practice. • SAMH contract with WorkNest as our designated Competent Person on Health and Safety. • Ongoing actions to strengthen data protection policies, procedures and staff awareness of key issues.
Cyber Security	
Risk of future cyber-attack	<ul style="list-style-type: none"> • Cyber security experts have completed a Security Architecture Review and recommendations from this review have been incorporated into the IT Security Action Plan. • Implementation of external Security Operation Centre. • Mandatory cyber security training designed to ensure awareness of our duty to protect our systems and the data they hold.

Strategic Report (continued)

Structure, Governance and Management

SAMH is a company limited by guarantee registered in Scotland with company number SC082340, governed by its Articles of Association (as amended from time to time), and has obtained permission from the Registrar of Companies to omit the word 'limited' from the company name. SAMH has been recognised by the Office of Scottish Charity Regulator as a Scottish charity with 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 nine) with the opportunity for a further two co-options. Trustees may serve a maximum of two terms (a term being three years). During the course of the financial year to 31 March 2023, Trustee Board held four general meetings and an Annual General Meeting (AGM). Meetings were held in person with the exception of one virtual meeting. Trustees received updates between meetings on the organisation's response to the cyber-attack that took place in March 2022.

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 the 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

At the AGM in September 2022, four Trustees retired from Trustee Board. Following a robust recruitment process, seven individuals were elected to Trustee Board and two have subsequently retired.

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

Outlined below are all those who, having been elected and approved, served in the year ended 31 March 2023:

Christopher Creegan⁶

Catriona Headley^{1,6}

Elizabeth Humphreys¹

Jamie Kinloch BEM

Shona Littlejohn^{1,10}

Stephen Martin^{1,6}

Graeme McAlister⁶

Rev Stuart MacQuarrie

Ross McAdam¹

Pauline Radcliffe⁷

Dr Alexandra Wright¹

Dr Frances Backwell^{2,8}

Stephen Dunlop^{3,8}

Rachel Birch⁴

Barry Fitzsimmons^{1,4}

Stuart Mackenzie⁴

Ruth Moss⁴

Charles Smith^{5,9}

Strategic Report (continued)

¹ Member of SAMH's Audit and Risk Committee

² Appointed August 2022

³ Appointed September 2022

⁴ Appointed February 2023

⁵ Appointed March 2023

⁶ Retired September 2022

⁷ Retired November 2022

⁸ Retired February 2023

⁹ Retired May 2023

¹⁰ Appointed Acting Chair February 2023

With the exception of Charlie Smith, noted above, there have been no resignations or appointments from the date of the financial statements.

Strategic Report (continued)

Sub-Committees

There are two 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 assist with reviewing the performance of the Chief Executive and Executive Team where required.

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 regular updates on 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 Acting Chair and Chief Executive meet on a monthly basis to review key developments. Key management personnel during the year: Chief Executive, Chief Operating Officer, Director of Corporate Services, Interim Director of Operations, and Director of Influence and Change. The Director of Corporate Services left the organisation at the end of March 2023 and was succeeded by the Chief Operating Officer. The Interim Director of Operations was appointed to the post of the Executive Director of Operations in April 2023.

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 Trustee Board assisted by the Chair's Sub-Group review the overall performance of the Executive Team. The remuneration of the Chief Executive is set by the Trustee Board and reviewed periodically. The salaries for the 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 (now Chief Operating Officer)/Company Secretary encompass SAMH and its subsidiary companies. In addition, the Chief Executive and the Director of Corporate Services (now Chief Operating Officer/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 Angus Mental Health Association (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 £393,272 for the Group, of which £342,682 represents the unrealised loss on investments. The surplus before the unrealised loss on investments was £735,954.

The economic environment since Covid-19 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 to provide assurance that SAMH continues to meet and exceed prudent going concern criteria.

Financial sustainability remains 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 August 2024, 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:

- A 50% reduction in workplace training and ad-hoc fundraised income.
- Restricted reserves would be utilised or repaid only for the purposes for which they were intended.
- Additional unbudgeted expenditure.
- 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 £5.21 million of cash or liquid investments. This is before applying identified mitigating actions to reduce losses as they may occur through to August 2024. Management provides a letter of support to our subsidiary SAMH Services Scotland Ltd. We have assessed the risk of this impacting on the going concern status of the group and do not believe this creates any additional significant risk.

Mitigating actions available to the organisation include utilising the contingency amount of £0.2 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 has 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 decision was made to re-tender for SAMH's auditor. Ernst and Young decided not to re-tender and therefore, following the conclusion of a competitive re-tender process, a resolution to appoint a new company auditor will be put to the forthcoming AGM.

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



Shona Littlejohn
Acting Chair
12 September 2023

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 2023 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 22, 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 2023 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 twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the SAMH’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 28 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

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

the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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.

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

- 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, reading correspondence from external specialists and involving internal specialist as applicable, inspecting any correspondence between the charitable Company and OSCR, reading the minutes of the 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.

Ernst and Young LLP

**Rob Jones (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow
Date: 14 September 2023**

Charity Statement of Financial Activity

(incorporating income and expenditure account)

at 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income and Endowments:					
Donations and Legacies		2,798,555	71,656	2,870,211	2,277,268
From Charitable Activities		2,092,941	16,046,914	18,139,855	17,060,087
Investments		9,142	-	9,142	12,244
Total incoming resources	3	<u>4,900,638</u>	<u>16,118,570</u>	<u>21,019,208</u>	<u>19,349,599</u>
Expenditure on:					
Raising Funds		659,757	-	659,757	532,522
Charitable activities:	8	3,521,605	16,055,751	19,577,356	17,659,096
Other Resources Expended		30,000	-	30,000	102,272
Total resources expended		<u>4,211,362</u>	<u>16,055,751</u>	<u>20,267,113</u>	<u>18,293,890</u>
Net Gains/(Losses) on Investments	7	<u>(342,682)</u>	<u>-</u>	<u>(342,682)</u>	<u>159,177</u>
Net income/(Expenditure)		<u>346,594</u>	<u>62,819</u>	<u>409,413</u>	<u>1,214,886</u>
Reconciliation of funds					
Total funds brought forward		13,532,441	568,744	14,101,185	12,886,299
Total funds carried forward		<u><u>13,879,035</u></u>	<u><u>631,563</u></u>	<u><u>14,510,598</u></u>	<u><u>14,101,185</u></u>

Consolidated Statement of Financial Activity

(incorporating income and expenditure account)

at 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income and Endowments:					
Donations and Legacies		2,798,555	71,656	2,870,211	2,277,268
From charitable activities:		2,323,791	16,046,914	18,370,705	17,342,864
Investments		9,142	-	9,142	12,244
Total incoming resources	3	<u>5,131,488</u>	<u>16,118,570</u>	<u>21,250,058</u>	<u>19,632,376</u>
Expenditure on:					
Raising Funds		659,757	-	659,757	532,522
Charitable activities:	8	3,768,596	16,055,751	19,824,347	17,942,480
Other Resources Expended		30,000	-	30,000	102,272
Total resources expended		<u>4,458,353</u>	<u>16,055,751</u>	<u>20,514,104</u>	<u>18,577,274</u>
Net Gains/(Losses) on Investments	7	<u>(342,682)</u>	<u>-</u>	<u>(342,682)</u>	<u>159,177</u>
Net Income/(Expenditure)		<u>330,453</u>	<u>62,819</u>	<u>393,272</u>	<u>1,214,280</u>
Reconciliation of funds					
Total funds brought forward		13,635,914	568,744	14,204,658	12,990,378
Total funds carried forward		<u><u>13,966,367</u></u>	<u><u>631,563</u></u>	<u><u>14,597,930</u></u>	<u><u>14,204,658</u></u>

Statement of Financial Position

at 31 March 2023

		Consolidated 2023	Consolidated 2022	Charity 2023	Charity 2022
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9	2,181,357	2,227,547	2,181,357	2,227,547
Investment Property	9	4,190,000	4,190,000	4,190,000	4,190,000
Investments	10	7,105,451	7,468,769	7,105,451	7,468,769
		<u>13,476,808</u>	<u>13,886,316</u>	<u>13,476,808</u>	<u>13,886,316</u>
Current assets					
Debtors	11	2,275,310	1,863,919	1,803,301	1,512,724
Cash at bank and in hand		3,520,045	6,965,043	3,519,726	6,925,905
		<u>5,795,355</u>	<u>8,828,962</u>	<u>5,323,027</u>	<u>8,438,629</u>
Creditors: amounts falling due within one year	12	<u>3,796,889</u>	<u>7,042,171</u>	<u>3,411,893</u>	<u>6,755,311</u>
Net current assets		<u>1,998,466</u>	<u>1,786,791</u>	<u>1,911,134</u>	<u>1,683,317</u>
Total assets less current liabilities		<u>15,475,274</u>	<u>15,673,107</u>	<u>15,387,942</u>	<u>15,569,633</u>
Provisions for liabilities and charges	13	<u>877,344</u>	<u>1,468,449</u>	<u>877,344</u>	<u>1,468,449</u>
Net assets		<u>14,597,930</u>	<u>14,204,658</u>	<u>14,510,598</u>	<u>14,101,185</u>
Total Funds					
Restricted funds	14	631,563	568,744	631,563	568,744
Unrestricted funds	15	13,966,366	13,635,914	13,879,035	13,532,441
Equity		1	1	-	-
		<u>14,597,930</u>	<u>14,204,658</u>	<u>14,510,598</u>	<u>14,101,185</u>



Shona Littlejohn

Acting Chair

12 September 2023



Ross McAdam

Treasurer

12 September 2023

Statement of Cash Flows and Consolidated Statement of Cash Flows

for the year ended 31 March 2023

		Consolidated 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
	<i>Notes</i>				
Net cash inflow from Operating Activities	6	(3,324,582)	1,783,386	(3,285,763)	1,744,267
Investment Return/Finance Servicing	19	7,372	1,465	7,372	1,465
Capital Expenditure	19	(127,788)	(5,049,712)	(127,788)	(5,049,712)
Short Term Investment	19	-	1,002,860	-	1,002,860
Increase / (Decrease) in Cash		<u>(3,444,998)</u>	<u>(2,262,001)</u>	<u>(3,406,179)</u>	<u>(2,301,120)</u>

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

	Consolidated 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
(Decrease) / Increase in cash in the period	(3,444,998)	(2,262,001)	(3,406,179)	(2,301,120)
Cash outflow from change in debt	-	-	-	-
Change in net funds	(3,444,998)	(2,262,001)	(3,406,179)	(2,301,120)
Net funds at 1 April	<u>6,965,043</u>	<u>9,227,044</u>	<u>6,925,905</u>	<u>9,227,025</u>
Net funds at 31 March	<u>3,520,045</u>	<u>6,965,043</u>	<u>3,519,726</u>	<u>6,925,905</u>

Notes to the Financial Statements for Charity and Group

for the year ended 31 March 2023

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 £393,272 for the Group, of which £342,682 represents the unrealised loss on investments. The surplus before the unrealised loss on investments was £735,954.

On 31 March 2023 SAMH had cash funds of £3.520 million, £7.105 million investment funds and a general reserve of £10.357 million.

On 31 May 2023 SAMH had cash funds of £2.182 million, and investment funds of £7.115 million.

Taking a prudent approach, management has revised financial plans and cashflow forecasts for the period to 30 September 2024, 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:

- A 50% reduction in workplace training and ad-hoc fundraised income.
- Restricted reserves would be utilised or repaid only for the purposes for which they were intended.
- Additional unbudgeted expenditure.
- 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 £5.206 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 2024. Management provides a letter of support to our subsidiary SAMH Services Scotland Ltd. We have assessed the risk of this impacting on the going concern status of the group and do not believe this creates any additional significant risk.

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

for the year ended 31 March 2023

1. Accounting policies (continued)

Mitigating actions available to the organisation include utilising the contingency amount of £0.2 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 has 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. 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 2023. 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 2023

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 14 and 15.

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 2023, (Note 12)
- Deferred Income is recognised in line with the stipulated timescales and/or when performance conditions are met, (Note 12)
- 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 2023, (Note 13)
- 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, 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 2023

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

Subsequent to the financial year-end, there has been significant press coverage around the issue of Reinforced autoclaved aerated concrete (RAAC) being identified in a number of buildings across the UK. Included in the financial statements at 31 March 2023 are two buildings owned by SAMH, one in operation (£1,332,000 at 31 March 2023) and one split between an operational asset and an investment property (£422,000 and £4,190,000 respectively). The operational asset was built outside the period in which RAAC in buildings has been identified to date, and has had no material extensions or alterations recorded in the impacted period. The investment property was built towards the end of the period impacted, however SAMH has not identified any RAAC or other matters impacted the valuation of the asset at the yearend. In particular, this asset has been subject to a number of inspections in recent years by surveyors and third parties, and no issues have been raised with the potential existence of RAAC. The asset valuation represents the market assessment from an external valuer of the asset value at 31 March 2023, and subsequent engagement with third parties after the yearend has continued to support management's assessment of the valuation. Should RAAC be identified going forward, the potential remedial costs required to the asset will be factored into future valuations by SAMH.

3. Income

Note 14, 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

	2023	2022
	£	£
Wages and Salaries	13,344,456	12,443,134
Social Security Costs	1,272,681	1,136,890
Other Pension Costs	400,515	262,452
	<u>15,017,652</u>	<u>13,842,476</u>

The wages and salaries costs for 2022/23 above include compensation for loss of employment made to one employee including associated tax liabilities totalling £143,553,087 (2022 £88,590). This figure is also included in the salary bandings below.

Trustees' remuneration for their service during the year was £nil (2022 £nil). £289 (2022 £40) was reimbursed to two (2022 one) Trustees for travel expenses.

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

for the year ended 31 March 2023

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

	2023	2022
£60,000 to £70,000	3	2
£70,000 to £80,000	3	1
£80,000 to £90,000	1	1
£90,000 to £100,000	1	1
£100,000 to £110,000	-	-
£110,000 to £120,000	-	1
£120,000 to £130,000	1	-
£240,000 to £250,000	1	-

A total of £132,872 (2022 £20,208) was paid by the company to group personal pension schemes in respect of the staff above. This includes a one-off payment in 2022/23 of £106,178 related to the loss of employment to one individual disclosed above.

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

The key management personnel of the company comprised of the Chief Executive, Director of Corporate Services (left the organisation 31 March 2023), Deputy Director of Corporate Services/ Chief Operating Officer (Deputy Director appointed COO 20 February 2023), Executive Director of Delivery & Development, and Executive Director of Influence and Change.

The employee benefits for key management personnel was salaries £503,958 (2022 £475,133) and pensions £124,285 (2022 £19,807).

The average monthly number of employees in the year was 498 (2022 - 518), of which 258 (2022 - 326) were full-time, and 240 (2022 - 193) were part-time employees.

This represents approximately 435 (2022 - 438) full-time equivalent staff during the year. The split by activity is:

	2023	2022
Fundraising	13	12
Community Based Services	333	347
Employment Services	26	20
Policy, Campaigning and Information	24	25
Management, Administration and Support	39	34
	<u>435</u>	<u>438</u>

The Association has arrangements in place for both temporary agency staff and seconded staff. During the year, £510,818 (2022 £253,739) 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 2023

6. Surplus for the year

a) This is stated after charging:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Depreciation	190,239	176,695	190,239	176,695
Auditor's remuneration:				
Statutory audit services	79,500	64,850	63,600	57,955
Non-recurring fee variation	-	9,700	-	9,700
Operating lease rentals				
Equipment	4,941	1,361	4,941	1,361
Property	5,661	3,140	5,661	3,140

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 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
Surplus for the year	393,272	1,214,281	409,413	1,214,886
(Gain)/ loss from investments	342,682	(159,177)	342,682	(159,177)
Finance Income	(7,372)	(1,465)	(7,372)	(1,465)
Depreciation	185,239	176,965	185,239	176,965
Gain on disposal	9,375	26,040	9,375	26,040
(Increase)/Decrease in debtors	(411,391)	(229,785)	(290,577)	(298,616)
Increase/(Decrease) in creditors	(3,245,282)	373,942	(3,343,418)	403,047
Increase/(Decrease) in provisions	(591,105)	382,586	(591,105)	382,586
Net cash inflow from operating activities	<u>(3,324,582)</u>	<u>1,783,386</u>	<u>(3,285,763)</u>	<u>1,744,267</u>

7. Revaluation of investments

	2023 £	2022 £
(Loss)/ Gain on fixed asset investments	(342,682)	119,177
Gain on revaluation of investment property	-	40,000
	<u>(342,682)</u>	<u>159,177</u>

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

for the year ended 31 March 2023

8. Analysis of Expenditure on Charitable Activities

Charity Analysis of Expenditure on Charitable Activities

	Community Based Services	Employment	Policy & Campaigns	Total 2023	Total 2022
	£	£	£	£	£
Staff Costs	11,514,393	692,134	2,051,551	14,258,078	13,130,005
Property Costs	948,798	21,856	70,560	1,041,214	1,146,028
Other Direct costs	1,856,745	264,367	1,524,921	3,646,033	2,843,635
Governance & Support	477,691	32,641	121,699	632,031	539,427
Total	14,797,627	1,010,998	3,768,731	19,577,356	17,659,096

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 2023	Total 2022
	£	£	£	£
Governance	278,474	47,077	325,551	267,213
Support	218,191	88,289	306,480	272,214
Total	496,665	135,366	632,031	539,427

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 2023	Total 2022
	£	£	£	£	£
Staff Costs	11,511,582	692,729	2,053,768	14,258,079	13,130,005
Property Costs	948,384	21,943	70,887	1,041,214	1,130,253
Other Direct costs	2,020,402	282,026	1,590,596	3,893,024	3,142,794
Governance & Support	476,822	32,824	122,384	632,030	539,427
Total	14,957,190	1,029,522	3,837,635	19,824,347	17,942,480

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 2023	Total 2022
	£	£	£	£
Governance	278,474	47,077	325,551	267,213
Support	218,191	88,289	306,480	272,214
Total	496,665	135,366	632,031	539,427

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 2023

9. Tangible Fixed Assets for Charity and Group

	Heritable Property £	Investment Property £	Computer Equipment £	Office Equipment £	Vehicles £	Total £
Cost or Valuation:						
At 1 April 2022	3,481,058	4,190,000	1,188,428	586,096	35,532	9,481,114
Revaluations	-	-	-	-	-	-
Additions	-	-	144,049	-	-	144,049
Disposals	-	-	-	-	(20,888)	(20,888)
At 31 March 2023	<u>3,481,058</u>	<u>4,190,000</u>	<u>1,332,477</u>	<u>586,096</u>	<u>14,644</u>	<u>9,604,275</u>
Depreciation:						
At 1 April 2022	(1,507,087)	-	(935,921)	(585,027)	(35,532)	(3,063,567)
Charge for the year	(140,173)	-	(49,161)	(905)	-	(190,239)
Disposals	-	-	-	-	20,888	20,888
At 31 March 2023	<u>(1,647,260)</u>	<u>-</u>	<u>(985,082)</u>	<u>(585,932)</u>	<u>(14,644)</u>	<u>(3,232,918)</u>
Net book value:						
At 31 March 2023	<u>1,833,798</u>	<u>4,190,000</u>	<u>347,395</u>	<u>164</u>	<u>-</u>	<u>6,371,357</u>
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>

DM Hall carried out a full valuation including a physical inspection of Hayweight House as at 31 March 2023. 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 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 £587,886, 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 2023 is £422,114.

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

for the year ended 31 March 2023

10. Fixed Asset Investments for Charity and Group

	2023 £	2022 £
Balance at 1 April	7,468,769	2,372,174
Additions	-	5,191,284
Disposals	-	(277,990)
Revaluations	(363,318)	183,301
Balance at 31 March	<u>7,105,451</u>	<u>7,468,769</u>
	2023 £	2022 £
<i>Comprising:</i>		
Investments – market value	<u>7,105,451</u>	<u>7,468,769</u>
Investments – historic cost	<u>7,210,821</u>	<u>7,210,821</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 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade Debtors	1,562,917	1,226,917	848,716	840,463
VAT	-	-	45,815	22,289
Amounts owed by group and associated undertakings	-	-	196,376	12,889
Sundry Debtors	143,547	121,193	143,547	121,275
Prepayments and accrued income	568,846	515,808	568,847	515,808
	<u>2,275,310</u>	<u>1,863,919</u>	<u>1,803,301</u>	<u>1,512,724</u>

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

for the year ended 31 March 2023

12. Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
PAYE and national insurance	287,688	454,888	287,688	454,888
VAT	425,932	375,555	-	-
Deferred Income	1,369,860	3,368,807	1,369,860	3,368,807
Trade Payables	477,085	809,219	477,261	809,186
Sundry Creditors	119,997	179,802	160,757	179,802
Accruals	833,334	792,240	833,334	792,240
Amounts owed to group and associated undertakings	-	-	-	88,728
Payments received on account for contracts and performance related grants.	282,993	1,061,661	282,993	1,061,660
	<u>3,796,889</u>	<u>7,042,171</u>	<u>3,411,893</u>	<u>6,755,311</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 2023. These credit balances will be released as the conditions are met or repaid as required within one year.

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.

13. Provisions for Liabilities and Charges for Charity and Group

	2023 £	2022 £
Balance at 1 April	1,468,449	1,085,862
Added during the year	122,836	607,036
Released during the year	<u>(713,941)</u>	<u>(224,449)</u>
Balance at 31 March	<u>877,344</u>	<u>1,468,449</u>

The balance of £877,344 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 £586,955, Inverclyde services £25,505, Falkirk/Forth Valley services £99,551, West Lothian services £28,707, Edinburgh services £106,525, Aberdeen services £25,486 and West Dunbartonshire Services £4,615.

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

for the year ended 31 March 2023

14. Restricted funds for Charity and Group

	Balance at 1 April 2022	Incoming Resources	Outgoing Resources	Balance at 31 March 2023
	£	£	£	£
Capital Reserve	90,460	-	(5,001)	85,459
Local Authorities	-	11,636,181	(11,636,181)	-
Health Boards	-	1,004,281	(1,004,281)	-
<u>Scottish Government</u>				
See Me	126,024	1,083,750	(1,109,774)	100,000
respectme	139,081	373,980	(366,665)	146,396
Suicide National Programme	22,561	422,018	(395,761)	48,818
Changing Rooms Extra Time	-	70,400	(70,400)	-
<u>Movember</u>				
The Changing Room	9,752	125,023	(125,023)	9,752
<u>Other Funders</u>				
Co-op Partnership Funding	-	711,616	(711,616)	-
Morgan Stanley - Glasgow Connect	-	32,458	(32,458)	-
Sportscotland Partnership	41,012	164,094	(155,731)	49,375
Jo Malone	47,403	60,434	(69,511)	38,326
Scottish Sports Futures (Active to Grow)	-	32,000	(32,000)	-
Glasgow Communities Fund – Let’s Talk Glasgow N.E.	7,148	48,264	(49,590)	5,822
Other	85,303	354,071	(291,759)	147,615
Total	<u>568,744</u>	<u>16,118,570</u>	<u>(16,055,751)</u>	<u>631,563</u>

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

for the year ended 31 March 2023

14. 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.

Changing Rooms Extra Time

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

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.

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 £195,000 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 2023/24.

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

for the year ended 31 March 2023

14. Restricted funds for Charity and Group (continued)

Sportscotland 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

Let's 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 2023

15. Unrestricted Funds

Charity Unrestricted funds

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Unrealised Gains/losses £	Balance at 31 March 2023 £
Designated					
Renewal and replacement fund	430,506	162,156	(256,725)	-	335,937
Revaluation Reserve	1,101,292	-	-	(342,682)	758,610
Capital reserve	790,860	-	(185,238)	-	605,622
Investment Reserve	2,493,972	-	(566,079)	-	1,927,893
	<u>4,816,630</u>	<u>162,156</u>	<u>(1,008,042)</u>	<u>(342,682)</u>	<u>3,628,062</u>
Unrestricted					
General reserve	8,715,812	4,738,482	(3,203,321)	-	10,250,973
Total	<u>13,532,442</u>	<u>4,900,638</u>	<u>(4,211,363)</u>	<u>(342,682)</u>	<u>13,879,035</u>

Consolidated Unrestricted funds

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Unrealised Gains/losses £	Balance at 31 March 2023 £
Designated					
Renewal and replacement fund	430,506	162,156	(256,725)	-	335,937
Revaluation Reserve	1,101,292	-	-	(342,682)	758,610
Capital reserve	790,860	-	(185,238)	-	605,622
Investment Reserve	2,493,972	-	(566,080)	-	1,927,892
	<u>4,816,630</u>	<u>162,156</u>	<u>(1,008,043)</u>	<u>(342,682)</u>	<u>3,628,061</u>
Unrestricted					
General reserve	8,819,283	4,969,332	(3,450,310)	-	10,338,305
Total	<u>13,635,913</u>	<u>5,131,488</u>	<u>(4,458,353)</u>	<u>(342,682)</u>	<u>13,966,366</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 2023

15. Unrestricted funds (continued)

Capital reserve

Depreciation on assets not included within other funds are 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.

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.

16. Analysis of net assets

Charity Analysis of net assets

	Restricted Funds £	Designated Funds £	General Reserve £	Total £
Tangible assets	84,459	616,884	5,670,014	6,371,357
Fixed Asset Investments	-	3,011,178	4,094,273	7,105,451
Debtors	387,593	-	1,415,708	1,803,301
Cash at bank and in hand	2,255,481	-	1,264,245	3,519,726
Creditors due within 1 year	(1,218,626)	-	(2,193,267)	(3,411,893)
Provisions	(877,344)	-	-	(877,344)
	<u>631,563</u>	<u>3,628,062</u>	<u>10,250,973</u>	<u>14,510,598</u>

Consolidated Analysis of net assets

	Restricted Funds £	Designated Funds £	General Reserve £	Total £
Tangible assets	84,459	616,884	5,670,014	6,371,357
Fixed Asset Investments	-	3,011,178	4,094,273	7,105,451
Debtors	387,593	-	1,887,717	2,275,310
Cash at bank and in hand	2,255,481	-	1,264,564	3,520,045
Creditors due within 1 year	(1,218,626)	-	(2,578,263)	(3,796,889)
Provisions	(877,344)	-	-	(877,344)
	<u>631,563</u>	<u>3,628,062</u>	<u>10,338,305</u>	<u>14,597,930</u>

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.

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

for the year ended 31 March 2023

17. 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 (2022: 19 percent).

18. Financial commitments for Charity and Group

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

	2023 £	2022 £
Leases expiring:		
Within one year – property	19,949	21,132
Within two to five years - property	3,764	3,987
	<u>23,713</u>	<u>25,119</u>

19. Notes to the Consolidated statement of cash flows

a) Gross cash flows:

	2023 £	2022 £
Returns on investments and servicing of finance:		
Interest received	7,372	1,465
	<u>7,372</u>	<u>1,465</u>
Capital expenditure:		
Payments to acquire tangible fixed assets	(137,163)	(84,060)
Payments to acquire fixed asset investments	-	(5,032,359)
Receipts from sales of investments	9,375	66,707
	<u>(127,788)</u>	<u>(5,049,712)</u>

b) Analysis of changes in net funds:

	At 1 April 2022 £	Cash flows £	Other changes £	At 31 March 2023 £
Cash at bank and in hand	6,965,043	(3,444,998)	-	3,520,045
	<u>6,965,043</u>	<u>(3,444,998)</u>	<u>-</u>	<u>3,520,045</u>

20. 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 £5,590,108 (2022 £5,219,031). At 31 March 2023, SAMH Services (Scotland) Limited owed SAMH £195,727.08. At 31 March 2022 SAMH Service (Scotland) Limited owed SAMH £12,889.

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

for the year ended 31 March 2023

21. 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 £180,053 (2022 £79,121) and £220,462 (2022 £183,332).

22. 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 2023 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 2023 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.