

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2017
FOR
MENTAL HEALTH NETWORK (GREATER GLASGOW)

D M McNaught & Co Ltd
Chartered Accountants and
Statutory Auditors
166 Buchanan Street
Glasgow
Lanarkshire
G1 2LW

MENTAL HEALTH NETWORK (GREATER GLASGOW)

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FOR THE YEAR ENDED 31 MARCH 2017

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MENTAL HEALTH NETWORK (GREATER GLASGOW)

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2017**

The trustees present their report with the financial statements of the charity for the year ended 31 March 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The organisation aims to provide a voice for and from those who have mental health problems, at a strategic level in partnership with service providers in order to develop and maintain services that are appropriate and user focused across the Greater Glasgow area.

Significant activities

The organisation has developed its activities to meet strategic needs in relation to the patient experience of mental health services in Greater Glasgow, offering a number of activities such as patient conversations within hospital settings, area listening events and volunteering opportunities.

During the period of 2014/2015 the organisations expanded on the patient experience activities to include working in partnership with NHS Greater Glasgow and Clyde around the Scottish Patient Safety Programme, gathering patient experience for Dementia Services (Commitment 11) and the development of the Advance Statement Project.

Volunteers

All management committee members are volunteers. In addition to this the organisation also utilises volunteers in a number of activities such as hospital settings, area listening events and office activities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The organisation was initially set up in response to statutory requirements for strategic input to NHS Greater Glasgow and Clyde on the strategic planning and implementation of mental health services. The organisation has fulfilled this request and additional requests for a variety of organisations e.g. recovery training in universities and employment agencies.

Further Developments have included the involvement in the Scottish Patient Safety Programme and Commitment 11 for Dementia Services.

Internal and external factors

The organisation compiled its business plan through in depth analysis and planning days facilitated by independent consultants and the management. It was decided to focus on the following areas; Review all management systems such as financial management, staff training and development, introduction of a robust evaluation system, development of gathering patient experience and strengthening the management committee.

FINANCIAL REVIEW

Principal funding sources

The organisation's principal funding source continues to be NHS Greater Glasgow and Clyde.

MENTAL HEALTH NETWORK (GREATER GLASGOW)

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 MARCH 2017**

FINANCIAL REVIEW

Reserves policy

The intention is to retain sufficient funds to meet unexpected costs. This equates to £5,000 per quarter and we aim to hold this amount in unrestricted funds.

During the year of 2015/16 the charity tendered for the contract of Service User and Carer Involvement within NHS Greater Glasgow and Clyde. The charity was successful and was awarded a funding contract for the period 1st April 2016 to 31st March 2019. This has resulted in robust financial management structures being implemented, for example prompt invoicing and payment of quarterly funding.

Referring to financial review of the period ended 31st March 2017, the management committee are pleased to continually report that the charity is still operating within budget and funds have regenerated. Again achieved by continually reviewing commitments and through monthly monitoring of all financial activities with prudent financial management.

FUTURE PLANS

The organisation plans to develop and enhance techniques for gathering patient experience through the development of a Social Media Policy and tools for enhancing service user engagement.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a recognised charity as defined in charity laws and regulations.

Recruitment and appointment of new management committee members

Any individual who applies to become a new management committee member will complete an application form and then be interviewed by two existing committee members. The application form is completed which details the individual's relevant skills and attributes and how these benefit the charity's objectives and activities. A vote is then taken at the AGM to decide if the applicant is to become a management committee member.

Organisational structure

The charity's main office in Glasgow is principally used for administration purposes. Different venues around the Glasgow and East Dunbartonshire area are hired to facilitate area forums.

Induction and training of new management committee members

All new management committee members are given in-house training on the requirements of the role as a management committee member. In addition all new management committee members are allocated a mentor. Any external training is provided as and when required to aid development.

Wider network

The organisation works in partnership with other mental health service user and carer organisations, voluntary organisations and statutory organisations. This is designed to promote a user voice in the planning and delivery of mental health services across Greater Glasgow.

Related parties

The organisation is closely linked with NHS Greater Glasgow and Clyde and PFPI (Patient Focus Public Involvement) and within that, the organisation operates with many organisations small and national for promotion of mental health strategy as decreed by the Scottish Executive Health Department.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC032115

MENTAL HEALTH NETWORK (GREATER GLASGOW)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address

Templeton Business Centre
62 Templeton Street
Suite 11, Templeton House
Glasgow
G40 1DA

Trustees

Janette Whitelaw
Janice Prentice
Lorne Berkley
Joan McBride
Ann Jones - appointed 30/6/2016
William McDonald - appointed 30/6/2016
George Brown - appointed 31/10/2016
Frances Nisbitt - appointed 31/10/2016
Walter Brown - resigned 30/11/2016

Auditors

D M McNaught & Co Ltd
Chartered Accountants and
Statutory Auditors
166 Buchanan Street
Glasgow
Lanarkshire
G1 2LW

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland, the Charities and Trustee Investment (Scotland) Act 2005, Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 21 July 2017 and signed on its behalf by:

Janice Prentice - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
MENTAL HEALTH NETWORK (GREATER GLASGOW)**

We have audited the financial statements of Mental Health Network (Greater Glasgow) for the year ended 31 March 2017 on pages six to ten. 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).

This report is made solely to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page three, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
MENTAL HEALTH NETWORK (GREATER GLASGOW)**

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

D M McNaught & Co Ltd
Chartered Accountants and
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
166 Buchanan Street
Glasgow
Lanarkshire
G1 2LW

21 July 2017

MENTAL HEALTH NETWORK (GREATER GLASGOW)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted fund £	Restricted fund £	2017 Total funds £	2016 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Support Services		211,500	-	211,500	215,600
Other income		150	-	150	1,817
Total		<u>211,650</u>	<u>-</u>	<u>211,650</u>	<u>217,417</u>
EXPENDITURE ON					
Charitable activities					
Support Services		218,319	-	218,319	204,043
NET INCOME/(EXPENDITURE)		<u>(6,669)</u>	<u>-</u>	<u>(6,669)</u>	<u>13,374</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>30,995</u>	<u>-</u>	<u>30,995</u>	<u>17,621</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>24,326</u></u>	<u><u>-</u></u>	<u><u>24,326</u></u>	<u><u>30,995</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

MENTAL HEALTH NETWORK (GREATER GLASGOW)

**BALANCE SHEET
AT 31 MARCH 2017**

	Notes	Unrestricted fund £	Restricted fund £	2017 Total funds £	2016 Total funds £
FIXED ASSETS					
Tangible assets	5	751	-	751	1,002
CURRENT ASSETS					
Cash at bank and in hand		25,495	-	25,495	31,913
CREDITORS					
Amounts falling due within one year	6	(1,920)	-	(1,920)	(1,920)
NET CURRENT ASSETS		<u>23,575</u>	<u>-</u>	<u>23,575</u>	<u>29,993</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>24,326</u>	<u>-</u>	<u>24,326</u>	<u>30,995</u>
NET ASSETS		<u>24,326</u>	<u>-</u>	<u>24,326</u>	<u>30,995</u>
FUNDS	7				
Unrestricted funds				<u>24,326</u>	<u>30,995</u>
TOTAL FUNDS				<u>24,326</u>	<u>30,995</u>

The financial statements were approved by the Board of Trustees on 21 July 2017 and were signed on its behalf by:

Janice Prentice -Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

Trustees are reimbursed for any out of pocket expenses, principally travelling expenses, on production of a valid receipt.

MENTAL HEALTH NETWORK (GREATER GLASGOW)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

3. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2017	2016
Staff	10	10
	<u>10</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Support Services	215,600	-	215,600
Other income	1,817	-	1,817
Total	<u>217,417</u>	<u>-</u>	<u>217,417</u>
EXPENDITURE ON			
Charitable activities			
Support Services	204,043	-	204,043
Total	<u>204,043</u>	<u>-</u>	<u>204,043</u>
NET INCOME/(EXPENDITURE)	<u>13,374</u>	<u>-</u>	<u>13,374</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	17,621	-	17,621
TOTAL FUNDS CARRIED FORWARD	<u>30,995</u>	<u>-</u>	<u>30,995</u>

MENTAL HEALTH NETWORK (GREATER GLASGOW)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2017**

5. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2016 and 31 March 2017	6,883
DEPRECIATION	
At 1 April 2016	5,881
Charge for year	251
At 31 March 2017	6,132
NET BOOK VALUE	
At 31 March 2017	751
At 31 March 2016	1,002

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other creditors	1,920	1,920

7. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	30,995	(6,669)	24,326
TOTAL FUNDS	30,995	(6,669)	24,326

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	211,650	(218,319)	(6,669)
TOTAL FUNDS	211,650	(218,319)	(6,669)

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2017.

MENTAL HEALTH NETWORK (GREATER GLASGOW)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2017**

	2017 £	2016 £
INCOME AND ENDOWMENTS		
Charitable activities		
Grants	211,500	215,600
Other income		
Other income	150	1,817
Total incoming resources	<u>211,650</u>	<u>217,417</u>
EXPENDITURE		
Support costs		
Management		
Wages & staff costs	170,366	143,622
Staff & volunteer training	880	142
Rent, rates & insurance	28,310	30,197
Provisions & hospitality	562	847
Light and heat	753	4,759
Telephone	2,872	2,580
Post, stationery & advertising	4,621	11,920
Travelling	1,177	2,219
Sundries	6,577	5,473
Depreciation of computer equipment	251	334
	<u>216,369</u>	<u>202,093</u>
Finance		
Bank charges	30	30
Governance costs		
Auditors' remuneration	1,920	1,920
Total resources expended	<u>218,319</u>	<u>204,043</u>
Net (expenditure)/income	<u><u>(6,669)</u></u>	<u><u>13,374</u></u>

This page does not form part of the statutory financial statements