

MQ: TRANSFORMING MENTAL HEALTH

England & Wales · Charity number 1139916

Details

Other names INSIGHT: RESEARCH FOR MENTAL HEALTH

Status Registered

Legal form Charitable company

Company number [07406055](#)

Registered 2011-01-19

Register [View on the Charity Commission register](#)

Contact

Address 6 Honduras Street
London
EC1Y 0TH

Phone 03000308100

Email info@mqmentalhealth.org

Website www.mqmentalhealth.org

Activities

Objects: GOVERNING DOCUMENT (ARTICLES OF ASSOCIATION) BASED ON CHARITY COMMISSION PRECEDENT.THE OBJECTS OF THE CHARITY ARE1. TO PROTECT, PRESERVE, FOSTER, PROMOTE AND ADVANCE ALL OR ANY ASPECTS OF THE MENTAL HEALTH AND WELFARE OF HUMANKIND AND TO ADVANCE AND PROMOTE KNOWLEDGE AND EDUCATION BY ENGAGING IN, ENCOURAGING, FUNDING AND OTHERWISE SUPPORTING: (A) SCIENTIFIC RESEARCH OR OTHER RESEARCH INTO THE NATURE, CAUSES, DIAGNOSIS, PREVENTION, TREATMENT AND CURE OF ALL FORMS OF MENTAL ILLNESS; AND(B) THE DISCOVERY, INVENTION, IMPROVEMENT, DEVELOPMENT AND APPLICATION OF TREATMENTS, CURES, DIAGNOSTICS AND OTHER MEDICINAL AGENTS, METHODS AND PROCESSES THAT MAY IN ANY WAY RELIEVE ILLNESS, DISEASE, DISABILITY OR DISORDERS OF WHATEVER NATURE IN HUMAN BEINGS THAT IS OR MAY BE CAUSED, IN WHOLE OR IN PART, BY ANY AND ALL FORMS OF MENTAL ILLNESS; 2. TO ADVANCE AND PROMOTE KNOWLEDGE, PUBLIC UNDERSTANDING, PUBLIC ENGAGEMENT AND EDUCATION BY ENGAGING IN, ENCOURAGING AND SUPPORTING: (A) THE STUDY AND UNDERSTANDING OF MENTAL ILLNESS AND MENTAL HEALTH AND WELFARE. (B) RESEARCH INTO THE HISTORY OF MENTAL ILLNESS AND MENTAL HEALTH AND WELFARE. IN EACH CASE WITH THE INTENTION OF PRODUCING RESULTS THAT ADD OR MAY ADD TO SCIENTIFIC KNOWLEDGE

Activities: The charity's main objectives for the period were to:1. Grow and develop the infrastructure of the charity; 2. Develop and implement a Fundraising Strategy;3. Develop and implement a Science Strategy and Knowledge Management infrastructure;

Classification

- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£4,279,527	£3,182,723	£6,397,404	25
2023-12-31	£3,480,256	£2,576,673	£5,300,600	22
2022-12-31	£3,542,522	£2,725,887	£4,397,017	16
2021-12-31	£1,872,660	£2,067,201	£3,580,382	14
2020-12-31	£1,985,091	£2,347,579	£3,774,923	16

Trustees

Name	Role	Appointed
Shahzad Malik	Chair	2017-02-22
Fabrizio Campelli		2023-10-03
James Edwin Palmer		2023-01-16
John A Herrmann Jr		2017-04-26
Michael John Horvitz		2020-06-23
Professor Ann John		2023-04-17
Professor Catherine Jane Harmer		2025-12-02
Professor Rory O'Connor		2022-07-06
Sarah Woolnough		2019-12-03

Accounts



Could **you** be part of the next
BREAKTHROUGH
in mental health research?

**MQ: Transforming Mental Health
2024 Annual Report**

Trustees report and financial statements for the year ended 2024

Administrative details

Company number:

07406055

Charity number:

1139916 / SC046075

Registered office:

6 Honduras Street, London, EC1Y 0TH

Country of registration:

England & Wales

Country of incorporation:

United Kingdom

Bankers:

Santander, Bootle, Merseyside, L30 4GB
Lloyds Bank, 74-78 Church Road, Hove, BN3 2EE

Solicitors:

Womble Bond Dickinson, 4 More London,
Riverside, London, SE1 2AU

Auditors:

Moore Kingston Smith LLP, 9 Appold Street,
London, EC2A 2AP

Trustees:

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

Chair: Dr Shahzad Malik
Mr Fabrizio Campelli
Mr John A Herrmann
Mr Michael J Horvitz
Professor Ann John
Professor Peter Jones (Resigned April 2024)
Ms Helen Munn OBE
Professor Rory O'Connor
Mr James Palmer
Ms Sarah Woolnough

Key management:

Mr Lea Milligan, CEO (Deceased – April 2024)
Mr Jey Balakrishnar, Director of Finance & Operations and Co-interim CEO
Ms Emily Wheeler, Director of Research Partnerships & Development and Co-interim CEO
Ms Bryony Doughty, Head of Marketing and Co-interim CEO

Mental Health Science Council:

Chair: Professor Ann John
Professor Jehannine Austin
Professor Hilary Blumberg
Professor Kamaldeep Bhui CBE
Sir Philip Campbell
Professor Lai Fong Chan
Dr Dixon Chibanda
Professor Helen L. Fisher
Professor Stephani Hatch
Professor Karoline Kuchenbaecker
Professor Andrew McIntosh
Dr Helen Munn OBE
Professor Rory O'Connor
Professor Henriette Raventos
Professor Jessica Schleider
Professor Daisy Singla
Professor Carol Worthman





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Welcome from the Chairman

Dr Shahzad Malik

Any reflection on the past year at MQ can only begin with honouring the memory and legacy of Lea Milligan who we tragically lost in April 2024. His family, friends, and loved ones remain in our thoughts. His impact though lives on through the many causes he championed so effectively and the team he built here at MQ. Therein lies Lea's greatest legacy: a team and platform that will continue to raise funds for implementing world class research efforts to tackle the myriad challenges in mental health sciences.

Whilst the societal significance of mental health disorders and the increased awareness of their prevalence is permeating discourse in day to day public and political life, MQ and the sector as a whole, still face enormous challenges in translating this into research funding. Without research, we cannot know how best to help the one in four people impacted by mental illness. Without research, we cannot know how best to support those in need in low resource settings. Without research, we cannot separate the facts from the hype in the inexorable rise of AI. It is research that will objectively inform how we can harness its power to improve diagnosis, treatment, and the delivery of novel digital therapeutic interventions. Without research, as we say at MQ.....it's just guesswork.

The next breakthrough in mental health research is on the horizon and is made possible by the support of everyone who has fundraised, donated or supported research. Your efforts have provided the resources needed to advance our knowledge, drive forward innovation and explore new frontiers in interventions and treatments.

Thanks to this support we have been able to fund new research through our scholarships and Transdisciplinary grant programmes. In the USA our colleagues at MQF have been able to accept applications for MQ's first ever location specific Fellowships programme.

The true significance of scientific research can often take many years to manifest itself but that does not diminish its importance now. I trust you will continue to support MQ as we look ahead to a new chapter, now ably lead by Andy Ratcliffe. As an already well-established charity leader, policy maker and a former poverty researcher, I am confident that Andy will be able to continue the momentum that Lea and the team have generated.

Dr Shahzad Malik
Chair of MQ Mental Health Research



2024 in numbers



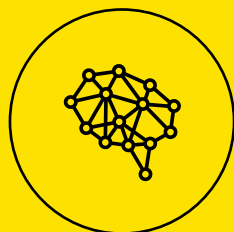
£2.67m

invested in supporting mental health research



9

countries with ongoing research



27

live research grants



164

challenge event participants raising money for MQ



12

active research partnerships



Sunday Times

Best place to work award



11

papers published

THE SUNDAY TIMES
T Best Places to Work

MQ's vision

MQ invests in ground-breaking research so that we can better understand different mental health conditions, develop more effective treatments and ultimately, one day prevent mental illnesses all together.

INTRODUCTION

2024

A year of change, challenge and celebration



Looking back at 2024, it's clearly been a year of change for us all. New governments around the world, including in the UK and US. AI has exploded into every corner of our lives and there was a mass exodus from the platform previously known as Twitter.

As the saying goes, the only constant is change, and this has been true for MQ, too.

This year at MQ began very differently to how it ended.

We started the year with excitement. MQ was supporting more research than ever before, both through partnership projects and through our grants, as we supported 27 active grant projects including six scholarships (find out more about the MQ Scholarships on page 13).

The GALENOS project (one of MQ's biggest research partnerships to date) published the first of many Living Systematic Reviews (LSRs). These LSR's examine existing research and collected data to answer a specific question about mental anxiety, depression and psychosis, and importantly, keeps refreshing the evidence to ensure it includes the latest understandings.

Our report with Pro-Bono Economics examined the economic impact of a new treatment for anxiety disorder, and our successful partnership with the Lord Mayor of London was entering its second year.

As we approached the end of March, we were excited to

be featured in a new documentary about global mental health inequalities which was to be distributed by Reuters.

These successes were the building blocks for the year to come. But 2024 had a curveball coming our way.

Unfortunately, in April, we were all devastated by the loss of our friend and CEO Lea Milligan. Lea passed away unexpectedly following a sudden illness. His loss was felt not just by his family, friends and his colleagues at MQ, but across the whole mental health sector.

Rising to the challenge when it matters most

The challenge faced by the charity was not just how to continue to work at the pace we were all used to whilst grieving, not just how to replace an inspirational leader, but how to continue to grow the momentum that Lea started.



Lea Milligan
1985-2024

Lea was instrumental in establishing many of our research partnerships, he had built strong and valued personal connections with our biggest stakeholders, and was responsible for delivering a number of different projects. Not to mention that he was a mentor to many at MQ, including those of us in the senior leadership team.

In times of adversity, people rally. We were blown away by the support MQ received. Not just from our own team of staff, trustees and supporters, but from the wider world too. Messages of support flooded in from other charities, from the researchers who had worked with Lea and from the many people who had worked with him in previous roles.

When MQ's board of trustees asked us to lead the charity for the interim, whilst they searched for a CEO who could match Lea's drive, charisma and ability, we knew that we had to do all we could to honour our late friend.

As the year rolled on, the Research, Development, Marketing and Operations Teams all continued to work at the pace and with the enthusiasm Lea had led us with. We successfully achieved all our charitable objectives, and as each goal was reached, each report was published, and as new discovery was made, we knew that Lea would be proud of the whole team and what we were continuing to achieve in his honour.

Continuing the momentum

We knew that whoever stepped into the CEO role at MQ would have big shoes to fill. Which is why we were absolutely delighted when the board appointed Andy Ratcliffe.

When we first met Andy, we were all struck by how approachable, personable and friendly he was. His wide network of contacts and vast experience of running high-impact charities stands him in good stead.

Under Andy's leadership, and with the support behind us that we have encountered this year, we know that we will be able to continue to grow. In the year to come, we will be announcing more research grantees through our new US Fellows programme, our researchers will be publishing more ground-breaking papers, and we will be helping to transform the lives of the 1 in 4 people who are impacted by mental illness.

As we look ahead to 2025, we know that we have much to celebrate. MQ continues to be a mover and shaker in mental health science; we are growing the global research workforce and translating findings into impact.

And, as he would have wanted it, we celebrate the time we spent with Lea, his legacy and all that he taught us, as we welcome Andy into the fold.

Bryony, Emily, Jey



Bryony Doughty



Emily Wheeler



Jey Balakrishnar

Mental health research: A challenging financial landscape

The historic underfunding of mental health research, in comparison to physical health research, is perhaps best expressed through a direct comparison.

In 2017, MQ found that 26 times more was spent on cancer research than on all mental health research. This is despite the burden of disease being not dissimilar. According to the WHO, 1 in 5 people will get cancer in their lifetime, whereas 1 in 4 people are impacted by mental illness.

The impact of this disparity in investment is staggering. Whilst the global oncology research market is valued at £174.64 billion (\$222.36 billion as of 2023), the mental health clinical trials market is only valued at £2.14 billion (\$2.73 billion).

This means that there are fewer research centres working with patients to develop new solutions. Fewer clinical trials being run to test the effectiveness of new treatments for life-threatening conditions like Anorexia or Schizophrenia. And there are far fewer people working in mental health research, fewer experts building up that knowledge base that is needed to make progress.

So, what's the impact?

In 2024, the NHS Cancer Vaccine Launch Pad has begun testing the effectiveness of a new 'cancer vaccine'. If successful, this personalised treatment could save thousands of lives each year.

This is a huge leap forward, an advancement in medical science that is the culmination of many decades of research. And it's only been made possible through investment.



Research takes time and money, but the end result changes and saves lives.

Research takes time and money, but the end result changes and saves lives. A cancer vaccine has the potential to be game-changing for humanity. If we can replicate the same investment, focus and dedication to building and nurturing the global mental health research system, then we can make the same life-saving breakthroughs.

MQ is one of many organisations working to build this mental health research eco-system. Through our work to convene the sector, invest in ground-breaking research and support early career researchers to retain them in the sector, we are starting to catch up.

Overcoming the barriers

In a report published in June by the Technopolis Group, the barriers faced by mental health research, created by lack of funding, were grouped into three main categories:

- High development costs for new treatments and interventions. This is largely due to gaps in scientific knowledge and high-failure rates of clinical trials.
- Complex regulatory and policy environment. For example, the many regulatory hurdles with psychedelic drug testing.
- Lack of attractiveness of the mental health market to developers, investors and funders. There are a growing number of digital interventions for mental health finding their way to market, however not all of them are evidence-based.

MQ is working to overcome these barriers through funding, convening and awareness-raising.

We have been investing in impact by funding innovative research that closes the gaps in knowledge, particularly around the biological markers of mental illness.

We have also been investing in growing talent within the research workforce; you can learn more about this on page 12.

MQ is working with partners to support innovative research that utilises data science and systematic reviews to accelerate learning. Projects like GALENOS, which you can read more about on page 19.

And perhaps most importantly, MQ engages people. Bringing together people with lived experience of mental illness to co-produce research (read more on page 20). Funding multi-disciplinary studies that bring together expertise from across the scientific spectrum and connecting funders to the front-line researchers doing the hard work through Scholarships and fellowships.

Grabbing the opportunities

For 11 years, MQ has been advocating for more investment to grow mental health research capabilities both in the UK and globally. Thankfully, the importance of this is being recognised more and more by funders, investors and policy makers.

MQ is leading the charge in involving lived experience in these initiatives.

UK opportunities

The UK already has a thriving life-sciences industry. In fact, 4 of the top 10 globally-ranked universities for life sciences and medicine are based in the UK. The value of the life sciences industry to the UK economy has already been recognised by the British government and was even highlighted by Chancellor Rachel Reeves in the Autumn budget.

“The UK has extraordinary strengths in science and innovation, however, we are not doing enough to capitalise on these strengths. The government will support R&D and the adoption and diffusion of innovation across the country to drive a sustained increase in productivity and improve citizens’ lives.”

Chancellor Rachel Reeves, Autumn Budget 2024

The UK Government is now on a mission to make the UK the most attractive place in the world for life science innovation. They have committed to investing £6.1bn of funding into core research for sectors such as medical science, biotechnology and engineering, plus an additional £2bn for research and development within the NHS. MQ is leading the charge in involving lived experience in these initiatives through the Mental Health Mission, a government-backed scheme to increase the research capabilities in the UK. (You can read more about the Mental health Mission on page 19.)

However, without efforts to embed a research culture in the NHS, alongside this cash injection, this investment

will not help accelerate better treatments, preventions and care for physical and mental illnesses.

Global opportunities

Government-level funding is not just growing in the UK. In 2025, MQ will be taking on our first ever EU-funded research project through the EU Horizons scheme. SYNAPSING is a multi-national project aiming to better diagnose and understand the overlapping symptoms in psychiatric disorders and neurodegenerative diseases.

We are also continuing to collaborate with Wellcome on international research partnerships such as with the Boston Consulting Group on a project to identify the barriers in research participation.

The MQ Foundation in the USA is continuing to engage funders in the establishing of new research, both through their partnership with the Cleveland Clinic and through the US-Fellows programme, MQ’s first ever location-specific Fellowship grant programme.

MQF have now secured funding for two Fellows based in the USA, working on innovations in adolescent anxiety disorders and exploring if integrating genetic and clinical factors into predicting the risk of suicidal behaviours can reduce the risk of premature mortality.

Through the success of these projects, MQ is able to prove to funders that whilst research does take time, it is a vital investment for the future. One which we will all benefit from.

Growing the research workforce

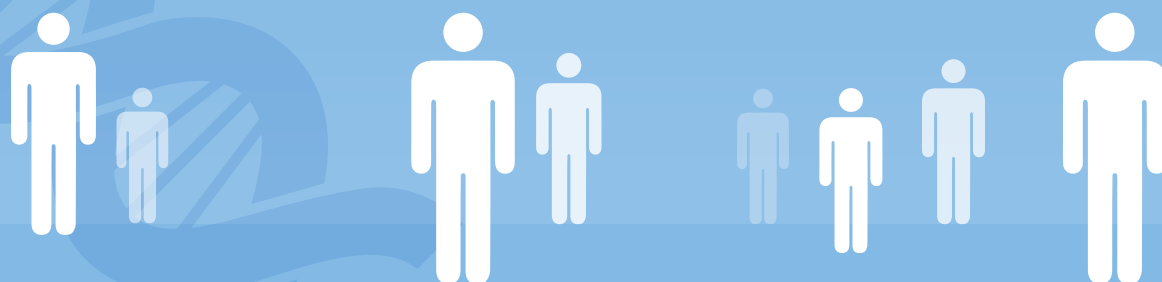
For too long, mental health research has been underfunded. However, that hasn't stopped people from wanting to dedicate their time and careers to learning about mental illnesses and developing effective solutions.

But without funding to support these talented researchers, many have been forced out of the field because there simply are not enough research grants to go around.

For the last 11 years, MQ has worked to support and grow the research workforce through our Fellowship programme. We have funded 68 incredible researchers across 14 countries and helped to retain their talent and skills within mental health science, and support them to accelerate our understanding of different mental health conditions.

Now, MQ has expanded the support we offer to further develop the research workforce and encourage more collaboration across different disciplines.

The MQ Transdisciplinary Grants programme, funded by Wellcome, are for researchers working in fields outside of the traditional mental health science disciplines to encourage them to use their unique insights to further mental health research. MQ Scholarships are aimed at supporting newly qualified postdoctoral researchers. Whilst MQ's flagship funding programme, the MQ Fellowships, are aimed at researchers who already have 5-7 years of experience, the new MQ Scholarships support researchers who have recently gained their Doctorates or PhDs.



Supporting researchers in their early careers – leading to breakthroughs

MQ Scholarships

MQ Scholarships support researchers who have recently gained their PhD or other doctorate.



MQ Transdisciplinary Grants

Grants for researchers at different stages of their careers working outside of the traditional mental health sciences to encourage collaboration across different disciplines.



MQ Fellowships

MQ's flagship funding programme which provides 3-year grants to researchers with 5-7 years of experience.



Ongoing support

MQ projects have been instrumental in over 100 researchers obtaining a permanent or long-term position in mental health research. 92% of grantees now involve people with lived experience in all of their studies having been supported to by MQ and numerous researchers have gone on to receive awards and recognitions, been appointed as editors for prestigious journals or honorary advisory positions.



Meet the MQ Scholars



Investigating the role of inflammation in Psychiatric conditions

Dr S N M, Ashitha, India

This project has the potential to enable clinicians to better identify the risks carried by individual patients, providing knowledge on alternate drug targets and treatments that could be individualised to the patient.



How does physical health influence depression risk in older adults?

Dr Emily Ball, UK

This project will investigate the link(s) between physical health (e.g., heart problems) and mental health (e.g., depression/low mood) in older people.



How can we improve mental health treatments for displaced refugees?

Dr Philippa Specker, Australia

This study will help to pinpoint how we can improve existing mental health interventions for displaced refugees including increasing the effectiveness and affordability of scalable interventions.



What are people's experiences of care during their first episode of psychosis?

Dr Emmanuel Mwesiga, Uganda

This study will help understand what drives engagement with mental health care services during the first episode of psychosis, with a strong focus on lived experience and individual perspectives.



Positive and adverse childhood experiences and their effects on children's and young people's mental health

Dr Liliana Arias-Urueña, Colombia

Adverse Childhood Experiences (ACEs) are stressful and potentially traumatic experiences occurring during childhood that can affect children's and adults' mental and physical health. There are also positive childhood experiences (PCEs), such as good parenting practices, friendships and community support.



Understanding the early life risk factors of Avoidant Restrictive Food Intake Disorder (ARFID)

Dr Zeynep Nas, UK

ARFID is an eating/feeding disorder mainly affecting children, characterised by fear and anxiety about eating or food, without any concerns about body size/shape.

The objective of this research is to examine the extent to which mental health difficulties and neurodevelopmental conditions co-occur with ARFID. (You can read more about Dr Nas's work on page 16.)

PROJECT FOCUS:

Eating disorder research

Despite being some of the mental illnesses with the highest rates of mortality, eating disorders have historically seen little research. Severe, life-threatening conditions such as Anorexia-nervosa, Binge-eating disorder, ARFID or Bulimia are still not well understood or effectively treated.

A study by BEAT published in 2021 found that per person impacted by eating disorders, only £1.13 was spent on research.

One person who knows this well is MQ Ambassador and campaigner Hope Virgo who has been in active recovery from Anorexia Nervosa for nearly 17 years.

“When I was 13 years old, I was sexually abused and was left with these feelings that there was something categorically wrong with who I was. I was struggling with the emotions around all that I had been through

but didn't want to or know how to talk to anyone about it. I began to restrict what I ate and exercise more and realised that when I did this, I felt better. I didn't realise at the time because what I was doing became the norm to me. After 4 years of hiding this from everyone around me, my school and parents intervened, and I was assessed at CAMHs. It was at this point that I was diagnosed with Anorexia, but I was still in denial that anything was the matter. I still couldn't accept that I needed any help. I was so scared of people taking away this one thing in my life, that I thought made things feel better. Little did I know at the time what it was really doing to me."

Improving Understanding

"I have spent so much of my life trying to work out why out of my siblings it was me that developed an eating disorder. I used to think it was just because of the abuse," says Hope. "But now I know it was a genetic predisposition with a trigger of the abuse and other factors in life. It's been amazing seeing more research come out about eating disorders and especially anorexia. This has certainly helped me to understand myself and my recovery more. I was admitted to an inpatient unit when I was 17 years old and began my recovery journey then. Now aged 34, I know what I need to do to manage my recovery, and I am in the best place with it than I have ever been. For so much of my time in treatment, I was desperate to be able to get to a space when I could travel and enjoy it, where I could have my own family, and today both those things have become possible. I believe people with eating disorders can and



MQ Ambassador Hope Virgo

do recover fully, but sadly due to the lack of funding into both research and services, it is making it impossible for so many."

MQ is working hard to improve our understanding of how and why people develop different eating disorders. For the last seven years, we have invested £542,200 in research that is helping us to understand how and why eating disorders develop in order to better help people.

MQ's first eating disorders study began in 2018 when a Fellowship was awarded to Dr Clare Llewelyn from University College London.

Clare's research has focused on the role of early life appetite and parental feeding experiences in the development of eating disorder symptoms in adolescence and early adulthood, using large datasets of British and Dutch children.

“MQ’s support has been instrumental in launching my career and amplifying the lived experience voice of ARFID. The project will improve understanding and detection of ARFID, ensuring children receive the support they need earlier. A huge thank you to MQ and its supporters for bringing this research to life”

Dr Zeynep Nas

Clare wanted to know more about the reasons why some children have avid appetites whilst others are very fussy eaters, and what role this plays when it comes to the development of eating disorders.

She found that toddlers who have an enthusiastic food responsiveness (e.g. feel a strong urge or compulsion to eat when good-tasting food is available, even if they are not hungry) are at higher risk of a broad range of eating disorder symptoms in adolescence. On the other hand, young children who are more sensitive to their feelings of hunger and fullness, and who eat at a slower pace, might be at lower risk of a few eating disorder symptoms in adolescence. She also found that genetic predisposition plays a very strong role in the development of eating disorders, particularly binge-eating disorder.

Stigmas and stereotypes

There are still many cliches in the media and public consciousness surrounding eating disorders. The stereotype of the waif-like teenage girl who is obsessed with how she looks still persists today. The fact is that eating disorders can impact anyone at any age and someone doesn’t have to be severely underweight to be at risk of seriously damaging their health or worse.

For Hope, these misconceptions prevented her from accessing the help she desperately needed. “I spent much of my adult life not looking like I had anorexia. In 2016, I relapsed following my grandma’s death. I struggled for a few months before reaching out for support but even when I did, I still wasn’t underweight.

I went through an entire appointment sharing what I had been through, desperate for help to stop this escalating, but at the end of the appointment they weighed me and told me my BMI was not low enough. This appointment angered me beyond belief, it fuelled the anorexia in my head, and I was so angry that even services didn’t understand that eating disorders should not be based on a person’s BMI.

People so much of the time thinking eating disorders are about food, or exercise or because you want to look a certain way, but this is not right. They are really complicated mental illnesses, and we need to ensure that people stop stigmatising them so that every single person can get the right support.”

Anorexia has the highest mortality rate of any psychiatric disorder, from medical complications associated with the illness as well as suicide. In fact, 1 in 5 individuals with anorexia who die, do so by suicide. But with the right support, treatment, investment it doesn’t have to be this way.

In 2023, MQ awarded our second Fellowship in eating disorder research to Dr Moritz Herle from King’s College London. Moritz is investigating why people with eating disorders are at higher risk of suicide.

His research combines data science with the perspectives of people with lived experience in order to map out the links between eating disorders and self-harm/suicide.

Moritz aims to produce a theoretical model to help understand the mechanisms that put people at risk, which will hopefully lead to more targeted interventions.

Growing the research workforce

Due to the historic lack of funding, there simply are not enough researchers working to understand these complex disorders or trying to develop effective solutions. In 2024, MQ recognised the importance of supporting early career researchers and launched our Scholarships programme. (You can learn more about this programme on page 13.)

One of these MQ Scholarships was awarded to Dr Zeynep Nas from University College London. Zeynep is a postdoctoral researcher with a project focused on Avoidant Restrictive Food Intake Disorder (ARFID).

She is working with the lived experience community to co-develop a new screening tool to identify children at risk of ARFID earlier and with more precision. She is also conducting new analyses in the Gemini Twin Study at UCL with preliminary findings suggesting the role of early life predictors including a poor appetite and early growth faltering. Zeynep and her team will also be exploring the mental health and neurodivergence overlap with ARFID.

Last year all three of MQ's researchers collaborated on a paper which found that food fussiness is a largely genetic trait. A great example of collaboration between all three of MQ's funded researchers in the field of eating disorders.

Improving interventions and access to care cannot come quick enough.

In 2019, Hope Virgo launched a campaign called #DumpThe Scales, which is calling for better training for all

front-line staff, more investment into services and research, and for a standalone National Strategy for Eating Disorders.

"The #DumpTheScales campaign started with one mission - to end the injustices for people affected by eating disorders and to make sure that every single person could get the right treatment and support but, following the huge increase over the Covid19 pandemic, and the dangerous narratives we are seeing around eating disorders being marked as untreatable, the mission has expanded even more.

We need to talk about eating disorders more and have proper action to tackle the epidemic that faces us. We need adequate, ring-fenced funding for all services and areas, but beyond investment, we need to ensure that there is a proper cultural shift and reformation within services. We need proper support across the board for every single person. So much of the time, it becomes either about early intervention or those who have been unwell for longer, but it should no longer be them vs us. We need to ensure everyone gets support because no one is untreatable. We need to make sure money is going into research so we can find the best treatments and find a cure for eating disorders."

As MQ continues to invest in understanding different eating disorders and improving interventions, Hope is continuing her campaign for better care.

"In 2025 no one should be turned away from care because their BMI isn't low enough. And no one should be put onto a palliative care pathway because they are considered too complex to treat."

"I have valued MQ's support enormously over the years - not only the funding you provided for my fellowship programme of work, but also the support the organisation provided to me personally, which undoubtedly transformed my career."

Professor Clare Llewellyn

Putting people at the centre

The best research outcomes come from projects which are shaped with the people most impacted by the topic at hand.

It leads to better services as people with lived experiences help to identify what works and what doesn't, so they can help to design services that are more effective and meet the needs of people who use them.

At MQ, we involve people with lived experience of mental illnesses in all of our projects. From ensuring we are asking the right questions to co-producing studies; patient and public involvement and engagement (PPIE) is at the heart of MQ.



Engagement

Sharing of information and knowledge about research with the public, included dissemination and knowledge exchange. Ideally includes listening and implementation.

Involvement

Research carried out with or by people with direct lived experience through the development of partnerships between patients, carers, members of the public, funders, and researchers. Members of the public are actively involved throughout the research process, from prioritisation, funding-decisions, implementation, and dissemination. Researchers incorporate the views and opinions of those with lived experience into the research process.

Coproduction

Researchers, practitioners, and the public together undertake a research project, sharing power and responsibility at all stages, with equitable remuneration.

GALENOS

Co-production is a collaborative approach that involves multiple stakeholders working together on a common interest. MQ is facilitating the Co-production element of GALENOS; an ambitious project run by the University of Oxford and funded by Wellcome.

GALENOS is producing large living systematic reviews by bringing together the existing research and data into one place and keeping it live with regular updates. The project aims to accelerate research into depression, anxiety and psychosis.

The Global Experiential Advisory Board (GLEAB) is a team of people from around the world representing unique cultural backgrounds and with lived experience of mental health issues who are working alongside professionals and researchers to design, deliver and evaluate mental health across different regions as well as cultures. MQ is working with the GLEAB to ensure the right topics are being prioritised, the right questions are being asked, and that the findings are relevant.



GALENOS

Mental Health Mission

The Mental Health Mission was established by the UK Government to increase capacity in mental health research in the UK.

By providing training, supporting industry and funding two demonstrator sites in Birmingham and Liverpool, the Mental Health Mission (MHM) aims to establish the UK as the number one location for life sciences and mental health research.

MQ is working with the MHM to co-ordinate all PPIE activities at the demonstrator sites and through the various work streams and projects. MQ is helping to facilitate the co-production of research with people with lived experience, ensure findings and communications are understandable and disseminated widely, and is championing the voices of groups which are seldom heard.

BCG/Wellcome partnership

Clinical trials are critical to drive innovation and improve mental health outcomes. Without clinical trials, new treatments and interventions cannot be properly assessed. However for people with mental illnesses, there are many barriers to taking part in a clinical trial.

Wellcome commissioned MQ and the Boston Consulting Group (BCG) to analyse and understand what the challenges are to recruiting and retaining participants in mental health clinical trials.

MQ established a Lived Experience Advisory Panel of 6 people with a range of MH lived experience to support the work of holding 7 focus groups which included in total 31 researchers, clinical trials managers, representatives from industry and importantly, those with lived experience. This panel co-designed the focus group process, using a semi-structured approach to facilitate conversation and enable areas of interest to be further explored.

As the project continues, the advisory panel will continue to engage with the validation of findings and recommendations to ensure that they cater to stakeholder needs.

“Taking part in the recent MQ focus groups, hosted by MQ, has definitely been one of the great highlights of my time working as a service user researcher. The extraordinary range of experiences and expertise that was represented by the other FG members ensured that the session was both revelatory and highly accessible.

The facilitator’s combination of sensitivity, generosity and brilliant listening skills (as well as her acuity) meant that we benefitted from hearing truly diverse perspectives. She also made us all feel that our knowledge was equally valued and respected, whether we were service users, clinical trial specialists, or consultants.”

A participant in the BCG/Wellcome project



Financial Review and Strategic Report

Summary

MQ Mental Health Research has successfully diversified its income, with a new £1m income stream from partnerships, meaning MQ is no longer just funding research but actively delivering it too. It has helped to replace the £1.1m of income from Deutsche Bank in 2022 and 2023.

The entire charity sector, not only mental health and research charities, have felt the effects of the continuing cost-of-living crisis, as well as the impacts of the ongoing conflicts in Ukraine, the Middle East and elsewhere. Whilst this has had an impact on individual giving throughout the year, the growing challenge event income and new partnership income stream is mitigating the financial risks. Thanks to the hard work of the staff, ambassadors and Board, MQ saw the fantastic financial results we are able to report.

Income

Overall income for the year was more than 2023's income, with £4.28m (2023: £3.48m). Philanthropic income was decreased by 38% to £2m (2023: £3.22m) representing 49% of income (2022: 95%); of which £0.45m is from the US-based MQ Foundation. Other generated income increased to £0.73m (2023: £0.16m) with seed funding draw down from the Wellcome Trust representing 33% (2023: 0%) of the total income.

Expenditure

MQ Mental Health Research spent a total of £2.67m (2023: £2.20m) in charitable grants and programmes to help understand, treat and prevent mental ill-health. The consolidation of the UK team has yielded efficiencies and will impact future growth positively, whilst ensuring fundraising expenditure £0.51m (2023: £0.56m) is kept at a competitive and appropriate proportion of expenditure.

Reserve Policy

The Trustees review the reserves policy annually. In recognition of global financial uncertainty, the Trustees feel the current policy is adequate. The policy requires MQ Mental Health Research to hold reserves (unrestricted funds) to cover a minimum of six month's expenses, based on the annual budget as agreed by the Board. This was set at £1.01m based on the 2025 budget excluding fixed assets.

As of 31st December 2024, the free reserves of the charity amounted to £1.02m. Restricted funds are not included in the reserves policy, as the Trustees have no discretion over how they are spent. If the Trustees choose to designate funds, these will not be included in the reserves policy, as they are held for a designated purpose. All grant awards are retained in designated or restricted funds to ensure the continuity of funding to researchers and institutions.

Funds

At the end of 2024, total funds stood at £6.40m (2023 £5.30m).

- Restricted funds amounted to £2.75m (2023 £2.08m) and are subject to conditions imposed by donors or implied by the nature of an appeal;
- Designated funds of £2.62 (2023 £2.41) are held as awarded research grants;
- Unrestricted funds of £1.02m (2023 £0.81m) comprise free reserves equivalent to 6 months based on the 2025 budget.

Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year-end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, our budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditure. We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future. Furthermore, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern.

Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The risks which face the charity are detailed in its consolidated risk register, which the Directors keep under active review. Headline Risks in 2024 include:

1. *Cyber Attack and digital fraud resulting in lost data, ransom for access, personal or company financial loss*

Mitigation – We have installed firewalls and antivirus software on all machines. Our outsourced IT company continuously monitors the network traffic. We train all staff and volunteers, educating them on cyber-attacks and data sharing, as well as highlighting new “scams” regularly. New staff and volunteers receive this information as part of their induction. Backup servers enable us to shut down systems to prevent malware, limiting losses to 24 hours of data.

2. *Risk of losing key personnel*

Mitigation – Existing HR processes include detailed job descriptions with clear roles and responsibilities which are defined in a matrix structure. In addition, a list of accounts and passwords is securely stored and once business travel resumes,

insurance for key staff is already in place. Temp and recruitment agencies have already been sourced in case of an urgent need for staff.

3. *Donor pyramid is heavily weighted on large partnerships*

Mitigation – Monitor fundraising channels closely and assess regularly.

Document all trials, programmes for success/fail factors. Expanded the fundraising team with a focus on continued new partnership and business development opportunities to diversify the portfolio of income.

4. *Income is outstripped by expenditure jeopardising the sustainability of the organisation, resulting in lack of growth or closure*

Mitigation – Focused fundraising plans have been executed; scenario and sensitivity budgets developed; regular cashflow forecasting is undertaken.

With an increase in longer-term funding partnerships, the risk of unsustainable fundraising decreased in medium term, but ongoing mitigation through unrestricted income generation is required for sustainability in 2025 and beyond.

The Trustees believe that appropriate policies to mitigate lower-level day-to-day risks have been adopted. They also believe that key financial systems are in place and appropriate internal controls are maintained for an organisation of the charity's size and complexity. The overall financial and operational control environment is kept under regular review by the CEO and Director of Finance, with regular reports provided to the Executive Team and Board.

Research highlight:

MQ Fellow **Dr Massimiliano Orri** was the first to use large genetic and other data sets to find that chronic pain plays a significant role in increasing symptoms of depression and suicidal behaviour.



Corporate Structure and Governance

MQ Mental Health Research, company number 07406055 and charity number 1139916 (England & Wales) and SC046075 (Scotland), is a charitable company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association dated the 19th of January 2011 and it was incorporated on the 13th of October 2010. The Memorandum and Articles of Association were revised on the 12th of March 2019. Under the conditions of the guarantee, members' liability is restricted to £1 each. The number of members in 2024 was 10 (2023: 10).

MQ Mental Health Research is the owner of a registered trademark and, as such, through a license agreement, licenses The MQ Foundation, a 501c3 non-profit company registered in New York, USA.

Additional agreements define the operational and strategic links between the organisations, safeguarding the independence of both entities and their responsibilities for data protection, financial management, safeguarding and strategic operation.

New trustees receive an induction pack and a series of induction meetings with the Chair, CEO and executive team. The chair of the board is responsible of oversight of the development and training of the board. Trustees are regularly updated with new resources from the Charity Commission, NCVO and AMRC by the Finance Director.

MQ Mental Health Research's charitable objects

The Board has ongoing regard to the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans. MQ Mental Health Research continues to make a significant impact in funding and supporting ground-breaking research, convening experts through events and forums and supporting the publication of studies and reports. Regular monitoring

and reporting of projects are carried out to ensure that MQ continues to deliver world-class research and is utilising funds in line with the wishes of donors in the UK, US and around the world.

Safeguarding

MQ's safeguarding arrangements are reviewed annually and the Trustees feel that policies in place represent a robust due diligence on those receiving grants, a strong framework to protect vulnerable donors and clear training and support for all staff engaging in frontline activities.

Research highlight:



Research from MQ and Pro Bono Economics found that a new treatment for anxiety, called LENS, could have an economic benefit as high as £2.9 Billion for society. LENS is a new treatment developed by MQ research **Dr Colette Hirsh**, which consists of a training programme designed to embed effective strategies for reducing anxiety.

Board and management roles

The MQ Mental Health Research Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is responsibly managed.

The Board's principal roles are:

- Approving the mission, strategies, policies and annual business plan;
- Appointing and overseeing the CEO;
- Monitoring performance and risk management;
- Reporting performance with integrity and transparency;
- Setting the vision and maintaining high standards of stewardship and values;
- Ensuring compliance with UK law and Charity Commission regulations;
- Managing its governance processes;
- Adding value by advising management;
- Representing the interests of MQ Mental Health Research's stakeholders.

The Board delegates responsibility for operational management to the CEO (the Principal Officer), who is responsible for developing the organisation's plans, policies and processes, following Board advice and approval. The Executive Team made up of the Director of Finance, Director of Research Partnerships & Development and Head of Marketing, support the leadership of the organisation's strategic growth.

Board composition

The Board comprises independent, unremunerated, non-executive directors (trustees) who have a broad range of skills and experience including from scientific, clinical, financial, legal and strategic backgrounds. Recognising the international collaboration of charities, MQ Mental Health Research provides observers in the form of the UK Chair and the UK CEO to the MQ Foundation Board and, in return, receives two members from the MQ Foundation Board as full MQ Mental Health Research Trustees. As the Board continues to strengthen

and expand, the Trustees are committed to the highest standards and encouraging applications from a diverse range of individuals.

Trustee recruitment, induction and training are overseen by working groups of the Board.

Board expenses

No fees or remuneration are paid for serving as a MQ Mental Health Research Board member. MQ Mental Health Research reimburses reasonable expenses incurred in the course of acting as a director. This includes travel and accommodation expenses required to attend meetings, training and orientation costs. Every effort is made to ensure costs are at a minimum.

Research highlight:

MQ Scholar **Dr Philippa Specker** found that people held in offshore immigration detention facilities in Australia faces a 20 times greater risk of PTSD and other mental health problems than asylum seekers who were detained onshore.



Board meetings

The Board meets four times a year, with additional meetings as required. The Board has one subcommittee and one advisory body respectively:

- Finance & Audit Committee – to independently review the audit results and report to the board;
- Mental Health Science Council – a global inter-disciplinary group of world-leading researchers that advises on the scientific strategy and work of the charity.

These groups are established under formal terms of reference, which are reviewed annually. The groups include members with directly relevant experience. The Board does not delegate major decision-making powers to these groups and ratifies all recommendations.

Trustees' responsibilities in relation to the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;

- state whether applicable Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Research highlight:

In October 2024, MQ published a landmark report into **the effects of the internet on young people's mental health**. This report was produced in partnership with Melbourne University, Harvard University's Digital Psychiatry Unit and researchers from the Oxford Internet Institute.



Disclosure of the information to Auditor

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report, and to establish that the charitable company's auditors are aware of that information.

Research highlight:

MQ Fellow **Dr Mark Taylor** has identified some of the factors that can increase the risk of autistic individuals developing mental illnesses. These factors include genetic predisposition, the likelihood of misdiagnosis (Especially in autistic women) and having additional diagnosis such as an intellectual disability or a physical condition such as chronic pain or hypermobility.



Remuneration policy

MQ's salaries are set within pay band structures at each grade, informed by external benchmarking, as necessary. The performance of key management personnel is monitored via regular one to one meetings with the CEO (and the CEO with the Chair), assessment against objectives and an annual appraisal process. Any salary awards for key management personnel must be approved by the board.

Fundraising

MQ Mental Health Research complies with the Fundraising Standards Board Requirements and is registered with the Fundraising Regulator, only utilising agencies that are compliant with these standards. MQ does not solicit gifts by telephone or door to door acquisition methods, has received no complaints from any regulator and ensures that all donors receive only the communications they request.

Auditor

Moore Kingston Smith LLP were appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees annual report has been approved by the trustees on the 28th of April 2025 and signed on their behalf by:

Shahzad Malik, Chairman

Helen Munn, Trustee

Independent Auditor's Report to the Trustees and Members of MQ Transforming Mental Health

Opinion

We have audited the financial statements of MQ Transforming Mental Health ('the company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 & 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Samir Chandoo (Senior Statutory Auditor) 7th of May 2025

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street, London, EC2A 2AP

Moore Kingston Smith LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2024

	Note	Unrestricted £	Restricted £	2024 Total £	2023 Total £
Income from:					
Donations and legacies	2	814,525	240	814,765	2,120,356
Charitable activities	2	1,321,799	1,918,324	3,240,123	1,262,794
Investments	3	224,639	–	224,639	97,106
Total income		2,360,963	1,918,564	4,279,527	3,480,256
Expenditure on:					
Raising funds	4	508,814	–	508,814	563,964
Charitable activities					
Scientific research	4	865,663	1,244,962	2,110,625	1,413,852
Awareness raising and Advocacy	4	563,284	–	563,284	598,857
Total expenditure		1,937,761	1,244,962	3,182,723	2,576,673
Net income for the year and net movement in funds		423,202	673,602	1,096,804	903,583
Reconciliation of funds:					
Total funds brought forward		3,220,311	2,080,288	5,300,600	4,397,017
Total funds carried forward		3,643,513	2,753,890	6,397,404	5,300,600

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.

Company no. 07406055

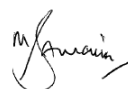
Balance sheet

As at 31 December 2024

	Note	2024	2023
		£	£
Fixed assets:			
Tangible assets	12	11,264	15,414
		11,264	15,414
Current assets:			
Debtors	13	163,573	243,114
Cash at bank and in hand	18	6,378,509	5,147,668
		6,542,082	5,390,782
Liabilities:			
Creditors: amounts falling due within one year	14	(155,942)	(105,596)
Net current assets		6,386,140	5,285,186
Total net assets	15	6,397,404	5,300,600
The funds of the charity:			
Restricted funds	16	2,753,890	2,080,288
Unrestricted funds (including designated funds)			
Designated funds	16	2,624,436	2,406,209
General funds	16	1,019,078	814,103
Total funds		6,397,404	5,300,600
Total charity funds		6,397,404	5,300,600

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard 102.

Approved by the trustees on 28 April 2025 and signed on their behalf by **Shahzad Malik, Chairman**



Helen Munn, Trustee



Statement of cash flows

For the year ended 31 December 2024

	Note	2024	2023
		£	£
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	17	1,012,139	611,539
Cash flows from investing activities:			
Purchase of fixed assets		(5,937)	(9,353)
Interest received		224,639	97,106
Net cash provided by / (used in) investing activities		218,702	87,753
Change in cash and cash equivalents in the year		1,230,841	699,292
Cash and cash equivalents at the beginning of the year		5,147,668	4,448,376
Cash and cash equivalents and net debt at the end of the year	18	6,378,509	5,147,668

Notes to the financial statements

For the year ended 31 December 2024

1. Accounting policies

a) 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (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 or note. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern for at least 12 months from the date of signing these financial statements. The trustees have approved operational plans and expenditures based on income level and are confident of operating the charity well within the parameters of our reserves policy. Also, the trustees review the annual budget during mid-year reforecast and reassess the reserve position. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be

received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been

1. Accounting policies *(continued)*

willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor.

Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grants to mental health research organisations, advocacy activities and other educational and awareness raising activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when MQ upon annual review approve the milestones in the grant agreement are met. Contingent grant liabilities are disclosed when the charity has indicated a willingness to fund a project but the grant milestones have not yet been met (note 20).

When the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable, the total grant commitment is set aside in a designated fund (note 20).

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|----------------------------------|-----|
| • Scientific research | 40% |
| • Awareness raising and Advocacy | 25% |
| • Cost of raising funds | 35% |

Governance costs are the costs associated with the governance arrangements of the

1. Accounting policies *(continued)*

charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Leasehold Property 5 years
- Office Equipment 3 years
- Fixtures and Fittings 5 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 100 days or less from the date of acquisition or opening of the deposit or similar account

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third

party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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 method.

p) Estimates and Uncertainties

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments (see 1(i)).

The trustees do not consider that there are any sources of estimation uncertainty (other than grant commitments Note 20) at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

q) Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

r) VAT

The charity is registered for VAT. Irrecoverable VAT is charged to the expenditure heading for which it was incurred.

2. Income

	2024			2023		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations and legacies						
Individual Giving	190,472	240	190,712	114,912	20,529	135,441
Philanthropy and Partnerships	624,053	–	624,053	1,984,915	–	1,984,915
	814,525	240	814,765	2,099,827	20,529	2,120,356
Charitable activities						
Wellcome Trust*	1,321,799	541,252	1,863,051	–	20,000	20,000
Philanthropy and Partnerships	–	1,377,072	1,377,072	–	1,242,794	1,242,794
Co-Funding	–	–	-	–	–	–
	1,321,799	1,918,324	3,240,123	–	1,262,794	1,262,794
	2,136,324	1,918,564	4,054,888	2,099,827	1,283,323	3,383,150

*Under the Wellcome Trust's Grant Letter of 16th January 2012, at the balance sheet date, the charity had drawn down £21m. The company can in due course (and subject to compliance with the requirements set out in the grant letter) drawdown in aggregate, a further £0.5m (2023: £1.9m).

3. Income from investments

	2024			2023		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Bank interest received	224,639	–	224,639	97,106	–	97,106
	224,639	–	224,639	97,106	–	97,106

4. Analysis of expenditure

	Cost of raising funds £	Charitable activities		Governance costs £	Support costs £	2024 Total £
		Scientific research £	Awareness raising and Advocacy £			
Staff costs (Note 7)	212,487	579,813	354,076	16,817	84,085	1,247,278
Grant-making	–	1,223,967	–	–	–	1,223,967
Other direct costs	130,152	121,560	96,960	192	99,339	448,203
Office costs	363	115	46	2,430	202,367	205,321
Audit	–	–	–	22,893	–	22,893
Bank charges	31	2,114	259	–	1,227	3,631
Foreign exchange (gains) and losses	–	–	–	–	(13,896)	(13,896)
Meetings	10,352	7,002	1,908	5,427	19,257	43,946
Legal fees	1,380	–	–	–	–	1,380
	354,765	1,934,571	453,249	47,759	392,379	3,182,723
Support costs	137,333	156,951	98,095	–	(392,379)	–
Governance costs	16,716	19,103	11,940	(47,759)	–	–
Total expenditure 2024	508,814	2,110,625	563,284	–	–	3,182,723

Of the total expenditure, £1,937,761 was unrestricted (2023: £1,850,235) and £1,244,962 was restricted (2023: £726,438).

4. Analysis of expenditure (continued)

	Cost of raising funds £	Charitable activities		Governance costs £	Support costs £	2023 Total £
		Scientific research £	Awareness raising and Advocacy £			
Staff costs (Note 7)	196,143	395,574	319,216	25,786	128,932	1,065,651
Grant-making	–	657,085	–	–	–	657,085
Other direct costs*	158,288	142,338	131,665	5,053	89,611	526,955
Office costs	975	69	37	1,248	192,622	194,951
Audit	–	–	–	20,721	–	20,721
Bank charges	140	287	243	–	1,226	1,896
Foreign exchange (gains) and losses	–	–	–	–	25,248	25,248
Meetings	28,157	12,487	18,938	5,078	18,838	83,498
Legal fees	–	–	–	668	–	668
	383,703	1,207,840	470,099	58,554	456,477	2,576,673
Support costs	159,767	182,591	114,119	–	(456,477)	–
Governance costs	20,494	23,421	14,639	(58,554)	–	–
Total expenditure 2023	563,964	1,413,852	598,857	–	–	2,576,673

5. Grant making (Grants to institutions)

	2024 £	2023 £
Cost		
Fellows Programme	720,707	313,327
PsyIMPACT	–	44,886
Data Science	–	24,831
Brighter Futures	111,710	251,541
Scholarship	135,801	–
Transdisciplinary grants	210,412	–
Other Grants	45,337	22,500
At the end of the year	1,223,967	657,085

The Fellows programme supports the brightest and best early career scientists who are asking challenging questions that will contribute to transformative advances in mental health.

The PsyIMPACT programme supports innovative research to develop and test psychological treatments, getting people the right treatments faster.

The Data Science programme awards grants to help realise the huge potential in the near term to harness data science to drive forward research.

The aims of MQ's Brighter Futures programme stem from the fundamental belief that research can change the trajectory of mental illness in young people, tackling the life-long impacts of many conditions and working towards a world where mental illness may one day be made preventable.

The Scholarship Fund specifically designed to support these very early-career researchers. By focusing on this earlier area of development, MQ would be positioned to respond to the needs of the science community, the still existing lack of funding for this career stage and provide a logical next step to produce future discoveries by the brightest young scientists.

MQ created a series of transdisciplinary research grants, developed and funded by Wellcome, to support researchers outside psychiatry, psychology, and neuroscience to apply bold and novel ideas and methods from their discipline to mental health science.

6. Net income for the year

This is stated after charging / (crediting):	2024	2023
	£	£
Depreciation	10,087	8,768
Property lease rentals	2,959	136,800
Auditors' remuneration (excluding VAT)	19,078	17,268
Foreign exchange (gains)/ losses	(13,896)	25,248

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2024	2023
	£	£
Salaries and wages	1,101,202	932,269
Social security costs	96,679	92,818
Employer's contribution to defined contribution pension schemes	49,397	40,565
	1,247,278	1,065,652

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel *(continued)*

The following number of employees received employee benefits (excluding employer pension costs) during the year between:	2024 No.	2023 No.
£60,000 - £69,999	–	2
£70,000 - £79,999	1	1
£80,000 - £89,999	2	–
£120,000 - £129,999	–	1

The pension contributions paid to higher employees amounted to £14,173 (2023: £16,456).

8. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The total employee benefits (including employers' NI and pension contributions) of the key management personnel (CEO, Director of Finance, Director of Research Partnerships & Development and Head of Marketing) were £335,955 (2023: £385,252).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,619 (2023: £5,008) incurred by 10 (2023: 10) members relating to attendance at meetings of the trustees.

9. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Raising funds	9	5
Scientific research (Including one Part time staff)	4	5
Awareness raising and advocacy	4	8
Support (Including one Part time staff)	8	4
	25	22

10. Related and connected party transactions

Aggregate donations from trustees were £38,014 (2023: £32,395).

MQ works closely with The MQ Foundation, a US-based s501c3 public charity founded in 2018, whose mission and priorities are closely aligned with those of MQ. MQ has licensed the MQ brand to the MQ Foundation to foster synergy and efficiency between the two organisations. The MQ Foundation board remains an independent body with discretion on how to allocate funds toward its mission. Two of the MQ Foundation board members John A Herrmann and Michael J Horvitz sit on the Board of MQ. However, neither charity exerts control over the other. In 2024 MQ Foundation provided grants totalling £437,779 (2023: £531,613) to MQ.

11. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At the start of the year	2,761	54,712	57,473
Additions in year	–	5,937	5,937
Disposals in year	(2,041)	(6,727)	(8,768)
At the end of the year	720	53,922	54,642
Depreciation			
At the start of the year	2,761	39,298	42,059
Charge for the year	–	10,087	10,087
Eliminated on disposal	(2,041)	(6,727)	(8,768)
At the end of the year	720	42,658	43,378
Net book value			
At the end of the year	–	11,264	11,264
At the start of the year	–	15,414	15,414

13. Debtors

	2024 £	2023 £
Other debtors	57,000	57,000
Accrued Income	36,966	126,253
Prepayments	69,607	59,861
	163,573	243,114

14. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	17,422	11,383
Other creditors	13,714	7,128
Grant creditors	71,880	61,750
Other Accruals	21,960	20,910
Taxation and Social Security	30,966	4,425
	155,942	105,596

15. Analysis of net assets between funds

a) At 31 December 2024	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	11,264	11,264
Current assets	2,753,890	3,788,192	6,542,082
Current liabilities	–	(155,942)	(155,942)
Net assets at the end of the year	2,753,890	3,643,514	6,397,404

b) At 31 December 2023	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	15,414	15,414
Current assets	2,080,288	3,310,494	5,390,782
Current liabilities	–	(105,596)	(105,596)
Net assets at the end of the year	2,080,288	3,220,312	5,300,600

16. Movements in funds

a) Year ended 31 December 2024	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures IDEA	192,900	–	(111,710)	–	81,190
Fellows	1,638,509	744,446	(497,502)	–	1,885,453
Research Activities	248,879	1,174,118	(635,750)	–	787,247
					–
Total restricted funds	2,080,288	1,918,564	(1,244,962)	–	2,753,890
Unrestricted funds:					
Designated funds:					
Grant commitments	2,406,209	–	(1,014,540)	568,815	1,960,484
Grant awards allocation	–	–	–	663,952	663,952
Total designated funds	2,406,209	–	(1,014,540)	1,232,767	2,624,436
General funds	814,103	2,360,963	(923,221)	(1,232,767)	1,019,078
Total unrestricted funds	3,220,312	2,360,963	(1,937,761)	–	3,643,514
Total funds	5,300,600	4,279,527	(3,182,723)	–	6,397,404

16. Movements in funds (continued)

b) Year ended 31 December 2023	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures IDEA	297,329	–	(104,429)	–	192,900
Fellows	1,168,312	798,995	(328,798)	–	1,638,509
Research Activities	57,762	484,328	(293,211)	–	248,879
				–	–
	1,523,403	1,283,323	(726,438)	–	2,080,288
Unrestricted funds:					
Designated funds:					
Grant commitments	1,917,665		(635,363)	1,123,907	2,406,209
Total designated funds	1,917,665	–	(635,363)	1,123,907	2,406,209
General funds	955,949	2,196,933	(1,214,872)	(1,123,907)	814,103
Total unrestricted funds	2,873,614	2,196,933	(1,850,235)	–	3,220,312
Total funds	4,397,017	3,480,256	(2,576,673)	–	5,300,600

16. Movements in funds *(continued)*

Purposes of restricted funds

Brighter Futures IDEA	This fund contributes money toward the IDEA of the Brighter Futures project
Brighter Futures ADP	This fund contributes money toward the Adolescent Data Platform workstream of the Brighter Futures project
Data Science	This fund is used to help fund our data science programme
Fellows	This fund helps to pay for our Fellows programme
Psylmpact	This fund helps to pay for our Psylmpact programme
Scholarship	This fund helps to pay for our Scholarship programme
Research Activities	This is combined of research activities which is delivered by research team.

Purposes of designated funds

Grant commitments represent amounts awarded in relation to our Fellows, Data Science, Bright Futures, Scholarship and PsylMPACT programmes payable in future years but where there is uncertainty of the timing of the grant payment as it is dependent on milestones being achieved.

17. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	1,096,804	903,583
Depreciation charges	10,087	8,768
Interest Received	(224,639)	(97,106)
Decrease/(increase) in debtors	79,541	(43,291)
(Decrease) / Increase in creditors	50,346	(160,415)
Net cash provided by / (used in) operating activities	1,012,139	611,539

18. Analysis of cash and cash equivalents and changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	5,147,668	1,230,841	6,378,509
Overdraft, Loan and Finance Lease	—	—	—
Total cash and cash equivalents	5,147,668	1,230,841	6,378,509

19a. Commitments

The charity's total future minimum lease payments under non-cancellable leases is as follows for each of the following periods

	2024		2023	
	Land & Buildings	Other	Land & Buildings	Other
	£	£	£	£
Within one year	136,800	593	136,800	698
Two to five years	296,400	–	22,800	698
Over five years	–	–	–	–
Total	433,200	593	159,600	1,396

19b. Operating Lease Income

Future payments receivable under these non-cancellable operating leases for each of the following periods following the balance sheet date are:

	2024	2023
	£	£
Within one year	62,700	62,700
Two to five years	5,700	5,700
Total	68,400	68,400

20. Grant commitments

At 31 December 2024, the charity has committed to future expenditure amounting to £1,960,494 (2023 - £2,406,209) in relation to its research grants programmes. The movements on these commitments are as below.

	2024 £	2023 £
Balance at the start of the year	2,406,209	1,917,665
New grants committed to	568,815	1,123,907
Exchange Rate differences / (write back)	(46,322)	(778)
Expended in the year	(968,218)	(634,585)
Balance at the end of the year	1,960,484	2,406,209
These commitments are expected to be payable as follows		
In one year	1,030,777	1,129,483
In two to five years	929,707	1,276,726
Total	1,960,484	2,406,209

The grant commitments are not fully recognised in the year they are committed, as they are subject to annual progress review before further instalments are released. The amounts accounted for in the year are those MQ deem the milestones in the grant agreement have been met.

21. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22. Statement of financial activities (incorporating an income and expenditure account)

	Note	Unrestricted £	Restricted £	2023 Total £
Income from:				
Donations and legacies	2	2,099,827	20,529	2,120,356
Charitable activities	3	–	1,262,794	1,262,794
Investments	4	97,106	–	97,106
		–	–	–
Total income		2,196,933	1,283,323	3,480,256
Expenditure on:				
Raising funds	5	563,964	–	563,964
Charitable activities				
Scientific research	5	687,414	726,438	1,413,852
Awareness raising and Advocacy	5	598,857	–	598,857
Total expenditure		1,850,235	726,438	2,576,673
Net income for the year and net movement in funds	7	346,698	556,885	903,583
Reconciliation of funds:				
Total funds brought forward		2,873,614	1,523,403	4,397,017
Total funds carried forward		3,220,312	2,080,288	5,300,600

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.



Thank you to all of our generous supporters, including those who gave anonymously.

The Wellcome Trust

The Lord Mayor's Appeal

The Prudence Trust

Deutsche Bank

Medical Research Council

Bird Song Trust (formerly Vogelgezang Foundation)

Virgin Unite

Rosetrees

Breakthrough TD1

Kepler Cheuvreux Foundation

Innovate UK

Shahzad Malik

The Waterloo Foundation

Renewi

James Palmer

Funky Pigeon



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MQ: Transforming Mental Health
2023 Trustee Annual Report and Statement of Financial Activities

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2023 Annual Report**

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Administrative details

Company number:

07406055

Charity number:

1139916 / SC046075

Registered office:

6 Honduras Street
London
EC1Y 0TH

Country of registration:

England & Wales

Country of incorporation:

United Kingdom

Bankers:

Santander, Bootle, Merseyside, L30 4GB
Lloyds Bank, 74-78 Church Road, Hove, BN3 2EE

Solicitors:

Womble Bond Dickinson, 4 More London, Riverside,
London, SE1 2AU

Auditors:

Moore Kingston Smith LLP, 9 Appold Street,
London, EC2A 2AP

Trustees:

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

Chair: Dr Shahzad Malik
Mr Fabrizio Campelli (Appointed 3rd of October 2023)
Mr John A Herrmann
Mr Michael J Horvitz
Professor Ann John (Appointed 17th of April 2023)
Professor Peter Jones
Dr Helen Munn OBE
Professor Rory O'Connor
Mr James Palmer (Appointed 23rd of January 2023)
Mr Chris Parsons (Resigned 11th of April 2023)
Ms Sarah Woolnough

Key management:

Mr Lea Milligan, CEO
Mr Jey Balakrishnar, Director of Finance & Operations
Ms Emily Wheeler, Director of Research Partnerships & Development
Ms Bryony Doughty, Head of Marketing

Mental Health Sciences Council:

Chair: Professor Peter Jones
Professor Jehannine Austin
Professor Hilary Blumberg
Professor Kamaldeep Bhui CBE
Sir Philip Campbell
Professor Lai Fong Chan
Dr Dixon Chibanda
Professor Helen L. Fisher
Professor Stephani Hatch
Professor Ann John
Cynthia Joyce
Professor Karoline Kuchenbaecker
Professor Andrew McIntosh
Dr Helen Munn OBE
Professor Rory O'Connor
Professor Henriette Raventos
Professor Jessica Schleider
Professor Daisy Singla
Professor Carol Worthman



Annual Report 2023: Introduction



**By Professor
Etheldreda
Nakimuli-Mpungu**

Mental health research, pivotal in advancing our understanding and treatment of mental illnesses, remains an area where progress has been historically slower compared to other health fields. MQ Mental Health Research, as an award-winning global mental health research charity, stands at the forefront of challenging this status quo. With a mission to transform mental health through research, MQ connects world-class scientists, the community and funders, bridging the gap between advanced scientific inquiry and societal impact.

For years, societal comprehension of mental illness has lagged, largely due to insufficient funding and focus. MQ addresses this by funding pioneering research aimed at understanding, effectively treating, and ultimately preventing mental illness. Their vision is to create a world where good mental health is not just a concept but a tangible, universally accessible reality. This commitment not only fuels scientific progress but also fosters a more informed and compassionate society, highlighting the importance of investing in mental health research for the collective well-being of communities worldwide.

My research project, conducted at Makerere University in Uganda from 2016 to 2019, was centered on the effects of group support psychotherapy delivered by lay health workers on depression among persons living with HIV in Northern Uganda. This innovative approach sought to address the challenging task of finding effective treatment for depression in a region with limited mental health resources. Through MQ's funding, we were able to train health workers to identify symptoms of depression and conduct group psychotherapy sessions, integrating mental health care into the existing health systems. This integration was vital in bringing depression therapies to areas that would otherwise have been unreachable, significantly impacting the lives of those living with depression in post-conflict Uganda. The project not only provided much-needed treatment but also laid the foundation for similar outreach work in other isolated regions in Cameroon and Nigeria, demonstrating the far-reaching implications of MQ's support.

Impact on Patients and Communities

The Group Support Psychotherapy (GSP) program has demonstrated transformative effects on its participants. GSP's approach of combining emotional support with practical life skills to combat stigma and generate income has led to significant improvements in mental well-being, interpersonal relationships, and economic stability.



Participants have reported a renewed sense of hope, importance to self and others, and an overall betterment in their quality of life.

Additionally, GSP has been effective in addressing depression, which has subsequently enhanced antiretroviral therapy (ART) adherence, leading to improved viral suppression. This holistic approach to mental health care has not only improved mental health outcomes but also the physical health of HIV patients. The success of the program lies in its ability to diminish mental health stigma and augment income generation, fostering a supportive and stigma-free community.



Ethel with participants at a Group Support Psychotherapy session.

This has significant implications for mental health care for HIV patients, especially in areas where stigma hinders treatment access and adherence. The program's efficacy in treating depression and its broader impact on HIV outcomes has been validated in trials, underscoring the intrinsic link between mental and physical health and prompting a re-evaluation of traditional medical care paradigms for chronic conditions like HIV.

The support from MQ has significantly propelled my career forward.

As an Associate Professor of Psychiatry at Makerere University and the Founder of SEEK-GSP, a WHO African Mental Health Innovation, my work in training lay health workers in group support psychotherapy has gained both national and international recognition. This includes prestigious accolades like the 2016 Elsevier Foundation Award and a Presidential National Independence Medal of Honor. Additionally, in 2020, I was honored as one of the BBC 100 most inspiring and influential women, and in 2023, I was elected to the Executive Committee of the World Psychiatry Association (WPA) Psychotherapy Section and appointed a Council Member representing Uganda on the World Federation Psychotherapy Council.

The future of mental health research is poised for transformative breakthroughs, with a strong focus on personalized treatments and integration of technology. Innovations in areas like AI-driven diagnostics, teletherapy, and novel pharmacological interventions are expected to revolutionize care delivery, making it more accessible and tailored to individual needs. This progress will significantly enhance our understanding

and treatment of mental health conditions globally.

Emerging technologies like AI, novel pharmaceuticals, and new approaches like tele-psychotherapy are poised to revolutionize mental health research and care. AI can enable more precise diagnostics and personalized treatment plans, while novel drugs offer potential for more effective therapies. Tele-psychotherapy, as explored in our ongoing research, is breaking barriers in accessibility, allowing for remote delivery of mental health services. These advancements promise not only to enhance the efficacy of treatments but also to bridge critical gaps in mental healthcare access, especially in low-resource settings. As these technologies evolve, they are set to transform the landscape of mental health care, making it more accessible, efficient, and tailored to individual needs.

As we stride forward, there is a palpable sense of hope and determination in the realm of mental health research. The invaluable support from organizations like MQ is crucial for sustaining this momentum. Their continued funding and backing are key to unlocking further advancements, ensuring that the future of mental health care is brighter, more inclusive, and accessible to all. With such collaborative efforts, we stand on the cusp of a new era in mental health, one marked by groundbreaking discoveries and improved quality of life for those affected by mental health conditions. ●

**Dr Etheldreda Nakimuli-Mpungu,
MQ Fellow 2015**

The statistics:**MQ's first 10 years in numbers**

MQ has invested

£30 million

in supporting research

Funded research at
top-global institutions**40**Connected
researchers from
around the world
though our sector
convening

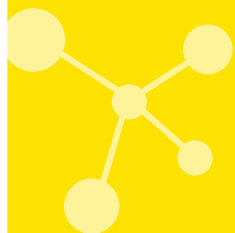
MQ has engaged over

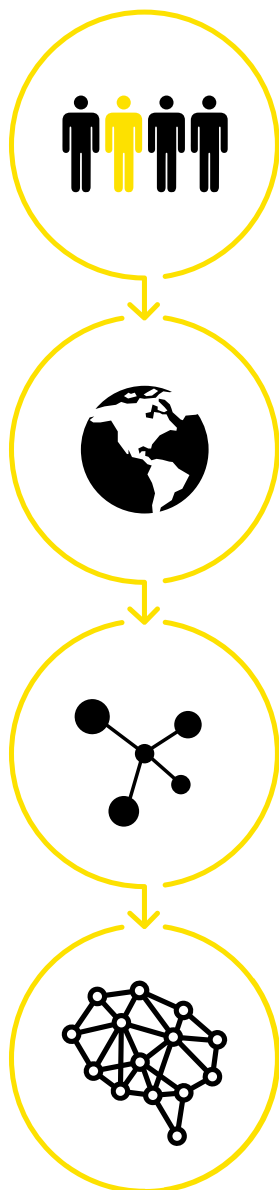
**42,000
people**to take part in
research

Supported research across

30 different

scientific disciplines

Funded or supported **65** research
projects across six continents**63%** of MQ's studies
have increased public awareness
or understanding of a condition**48%** have led to
new treatments being
developed

**THE NEED:**

1 in 4 people are impacted by mental illness but our understanding of these conditions is way behind where it should be.

THE ACTIVITY:

MQ has funded **54** mental health studies worldwide, co-partnered on 7 projects and convened or consulted on another 4.

THE OUTCOME:

59% of MQ's studies have raised public awareness. 30% have led to changes in policy and regulation. 40% have led to changes in practice and 100% of our co-partnered & convening projects have influenced mental health funding.

THE IMPACT:

The detection and diagnosis of mental illnesses have accelerated, treatments have improved and we are more aware of how we can prevent mental illness from developing in the first place.



Awards 2023

WINNER:

2023 Charity Governance Award: *From Systemic Challenge to Meaningful Change*

WINNER:

Prestige Award Mental Health Research NPO of the Year

WINNER:

The Inside Out Award for best use of technology

SHORTLISTED:

Third Sector Business Charity Awards



Letter from the Chairman

10 years ago, a group of scientists and mental health advocates came together to discuss solutions for society's, basic science's, and clinical medicine's most important unconquered and underserved arena - mental illness. And so MQ was founded, a charity that aimed to transform the mental health landscape.

The challenge was vast, but not insurmountable. Years of underfunding, underinvestment and a siloed approach meant that our understanding of mental health was far behind where it should have been.

One of the biggest barriers to progress was the disparate nature of research. Neuroscience, psychiatry, psychology, data science and biology were all considered separate sciences, and collaboration was rare.

MQ has worked hard over the last decade to bring the experts from these different fields together, under the umbrella of mental health science.

Now, half of MQ's studies involve at least four separate disciplines of science, and progress in how we can better treat and even prevent mental illnesses has accelerated.

This year MQ has invested more than ever before into new research through our MQ Fellows Programme and the launch of our Scholarships Programme.

MQ continues to commission world leading research through our grant programmes resourcing researchers so that they can carry out the groundbreaking studies that are needed. And whilst this remains the core of MQ's approach, over the last year, MQ has further expanded our capability to foster collaboration and engage new stakeholders through our partnership work.

Through our work with the GALENOS project, the Mental Health Missions and DATAMIND, we are helping to deliver transformative research and ensure that the voice of patients and lived experience is at the core of scientific discovery. You can read more about our partnerships on page 14.

We are also excited to see the continued growth of operations in the US through the MQ Foundation. As it enters its 5th full year, we are seeing more investment and partnership growth and the opportunity to continue to grow our global impact. You can read more about the Foundation's journey on page 12.

Continual reanalysis of the problem isn't going to get us anywhere. We need solutions, and to generate the momentum to deliver them.

The world is a different place to how it looked ten years ago. New forms of political upheaval, ever more evident climate change, and a pandemic have forced everyone to reassess priorities. One positive from all this upheaval has been the rise in awareness of the prevalence of mental health disorders and the urgent need for fundamental and translational research in this broad arena. I am proud to report that MQ has been at the forefront of this movement.

MQ is continuing to invest in impactful research that actually changes peoples' lives. The IDEA project is one of MQ's biggest success stories. A network of researchers, spanning the globe, worked together to take a multidisciplinary approach to understanding how depression develops in adolescence. More importantly though, they found a way to predict which young people were at greatest risk. Now they are expanding on this knowledge by learning more about the biological underpinnings of adolescent depression, so that more targeted treatments can be made possible. You can read more about IDEA on page 19.

If the last ten years have shown us anything, it's this: there is much we cannot control in the world. But the approach we take, and taking it together, can make all the difference to the outcome. ●

Dr Shahzad Malik
Chair of MQ Mental
Health Research





2023 Cultivating impact

In MQ's 10th year, we made significant progress against our strategic goals for mental health research.

Growing talent

Growing and retaining talent within the mental health research workforce is a key focus for MQ. For true progress to be made, we need a highly skilled, passionate and talented network of professionals who can collaborate, share knowledge and best practice, and progress our knowledge of mental health issues.

- MQ's Flagship Fellows Programme announced an additional two Fellows in November, bringing the total number of 2023 Fellows to nine. This means that over the last 10 years, MQ has supported 32 researchers from all around the world through our Fellowships programme. These Fellowships are vital for retaining talent within the sector and provide more than just funding; advice, support, networking opportunities and assistance with communicating findings are all part of the programme.
- 2023 saw MQ's inaugural Scholarships programme launch. The aim of this project is to provide support to early career researchers who have recently completed a PhD or equivalent qualification. Historically, the percentage of researchers leaving academia after completing their doctorates is as high as 70%. By focusing on this early career stage, MQ scholarships will provide up to two years of funding and support, with the first six awardees being announced in 2024.

In MQ's 10-year Impact review...

we found that MQ-funded projects allowed over 100 researchers to obtain permanent or long-term positions working in mental health research. MQ has also driven positive research cultures by encouraging collaboration, co-production of studies with people who have lived experience of illness, and through mentorship and training.

Investing in impact

Research is meaningless if it doesn't lead to improvements in people's lives. Through research, we can improve treatments, change policies and even put in place interventions to help prevent mental illnesses from developing in the first place. However, none of this is possible if findings just sit on the shelf, trapped in the pages of a dusty journal.

MQ doesn't just invest in impactful research that has the potential to transform lives, but also makes the findings accessible to the people who matter. By gathering the evidence and sharing with policy makers, decision makers and practitioners, MQ is putting research to work.

- The EnCAMHS project, funded by NIHR and supported by MQ Mental Health Research, is a multi-phase project aimed at improving the referral process for Children and Adolescent Mental health Services (CAMHS) and helping young people get the right help, from the right service, at the right time. The first phase, which completed this year, examined evidence from multiple sources to fully identify where the problems

with referrals lay and where improvements could be made. Two recommendations have come out of this important first phase. Firstly, there should be a national standardised referral process (which can be tailored to local CAMHS provisions) and secondly, a digital solution should be developed to simplify the referral process. The second phase, which launches in April 2024, will create this digital referral platform. The impact of this project is that the 1 in 5 young people estimated to have a diagnosable mental disorder will receive the support they need faster.

- MQ has again partnered with 3B Impact, to develop a new programme to help accelerate the journey of MQ studies from labs and academic journals to widespread impact. The Research Impact Accelerator (RIA) will see the 3B team work collaboratively with MQ grant holders to better define the pathway to impact of their work and scope out what the next steps need to be after their study has finished in order to move the project forward. The RIA programme of support has been developed following a pilot with Professor Ethel Mpungu (See Ethel's introduction to this report on page 4).

In MQ's 10-year Impact review...

we found that 48% of MQ's projects have led to new treatments, 63% have increased public awareness or understanding of a mental illness, and 44 of MQ's 65 studies have influenced policy or regulations or are being used in practice.



Challenging inequality

There is no doubt that discrimination and socio-economic, racial and gender inequalities all contribute to mental illnesses. But they also act as barriers to high-quality research too. Whilst it is estimated that 80% of people who have mental disorders reside in low- and middle-income countries (LMICs), only 4% of published mental health research originates from these countries.

MQ is working to level the playing field. Both by investing in research globally, (including our first investments in India this year) and by targeting impactful research that will help vulnerable groups to flourish.

- 2023 saw the expansion of MQ's Lived Experience Advisory network. This global network of diverse people who have experience of, or care for someone with mental illnesses, volunteer to support MQ's projects in a range of different ways. From sharing their stories with policy makers to priority setting and even co-production of studies. The input of these experts by experience is vital to ensure scientists are asking the right questions, conducting research in a sensitive way and that real needs are addressed.
- Understanding the impact of inequalities on mental health is one thing, but taking this evidence and using it to produce impactful solutions is MQ's ultimate goal. This year, MQ partnered with the University of Glasgow and the Lord Mayor's Appeal to produce the 'Cost of Living' report. This report reviews the impact that the current cost of living crisis is having on the mental health of vulnerable people. It then makes a series

of recommendations for different sectors, including employers, service providers and individuals. These actionable, compassionate and evidence-based recommendations aim to protect people's mental health whilst delivering a more equitable society.

In MQ's 10-year Impact review...

we found that MQ has invested in research across six continents. Of MQ's 65 research projects, 35 have directly challenged inequalities, whilst our funding landscape project uncovered the disparities of research spending across physical and mental health.

Engaging people

For too long mental health research was siloed with different scientific disciplines rarely working together. MQ has worked tirelessly to bring people together from across the mental health spectrum to drive forward research. This doesn't just include scientists and academics, but people with lived experience, volunteers, donors and practitioners.

- One of MQ's most ambitious partnerships of 2023 is the GALENOS project. The Global Alliance for Living Evidence on aNxiety, depressiOn and pSychosis is a consortium of global partners, led by Oxford University and Funded by Wellcome who are building a new living

evidence resource of early phase research. The ultimate goal is to speed up research into anxiety, depression and psychosis by making the most up-to date research and findings fully available and easily accessible for anyone to view. By creating these datasets and insights in a state-of-the-art online resource, GALENOS will accelerate research and help produce new interventions and solutions.

- In 2023, MQ explored new ways of engaging the public with research by publishing our first book. 'Your Mental Health' uses real people's stories and the latest scientific research to explain what different mental health conditions are, how it feels to have them and what we know about them. This book was produced in conjunction with our partners at Enigma Wellness and in 2024, the contents of the book will be used to create a new online course designed to help people learn more about the conditions included.

In MQ's 10-year Impact review...

we found that in MQ's first decade, we have engaged over 42,000 people in research. This is mostly through our volunteer platform Participate which connects researchers who need to recruit volunteers for their studies and members of the public. Participate was launched in 2019 and has increased the number of black and other ethnic minority volunteers by 43%, whilst 54.5% had never taken part in mental health research before.



Interview

MQ Foundation

Ann Richman

For the last 10 years MQ has funded research and delivered collaborations across six continents, with a wide network of experts and ambassadors all around the world. Recognising this global effort that was needed to continue expanding research capabilities, the MQ Foundation, based in New York, was founded in 2019 by MQ Trustee John Herrmann Jr.

Since then, the MQ Foundation has raised funds, and visibility, for MQ Mental Health Research all across the United States of America. In 2021 the MQ Foundation appointed it's first full time Executive Director Ann Richman, who shared her reflections with us on the year past.

Q. What have been the biggest successes for MQF in 2023?

A. This year we focused on growing MQ's profile in the United States. As a relatively young organization, we are continually focused on growth and raising our voice among many constituencies.

Research in the USA

MQ has invested into the US research community as part of its global portfolio of research over the last 10 years with incredible impact and results.

Establishments represented in MQ research and governance:

- University of Pennsylvania
- University of Pittsburgh
- Stamford University school of Medicine
- University of Minnesota
- John Hopkins University School of Medicine
- Yale University
- Emory University
- University of North Carolina
- Stony Brook University
- Icahn School of Medicine at Mount Sinai
- Harvard University
- Massachusetts General Hospital

Within the research community, we were proud to fund nine MQ Fellows in partnership with MQ Mental Health Research. These three-year fellowships represent a multi-million-dollar investment in mental health research focused on stemming early mortality due to mental illness. We are especially humbled to support three researchers based in the US; through their labs, we also have the chance to foster the growth of early career researchers.

As a young organization, we have the unique opportunity to build an entirely new community of MQ stakeholders. This past year, we introduced MQ's work to over 200 new potential donors, volunteers, and advocates through events and panel discussions featuring MQ-funded researchers.

2023 was also about building new institutional partnerships. I'm especially proud of our partnership with the American Foundation for Suicide Prevention. AFSP's multi-pronged approach to stemming suicide has never been more important as the US suicide rate continues to grow. Through our partnership, AFSP provided significant financial support to the research of MQ Fellow Dr Marisa Marraccini, who is designing and testing new VR-based interventions for youth who have been hospitalized after a suicide attempt.

Q. What challenges has MQF faced in 2023 and what challenges are to come?

A. We have been fortunate in our ability to attract donors who recognize that their donations are part of a long process to better detect and treat mental illness. The long-term nature of mental health research often means that the impact of funding can take five-plus years to measure. Our

ongoing challenge is convincing potential donors that their investment today is part of a journey toward tangible and potentially transformative impacts that might be a decade away.

In the United States, 2024 is a presidential election year, and we will likely see one of the most contentious and widely covered elections in US history. Election years tend to put a strain on donors who feel a need to support their existing causes while also supporting political campaigns. Our challenge this year will be to keep MQ's long-term goals top-of-mind for stakeholders whose attention will be pulled in myriad ways.

Fortunately, the MQ Foundation Board of Directors and I approach these challenges as opportunities. MQ's mission is easy to advocate for because the innovative research we fund is vital to our society's long-term health.

Q. What are your priorities for 2024?

A. We are thrilled to be commencing a five-year partnership with the Cleveland Clinic, starting in 2024, to establish a mental health research center for excellence. The center will convene a team of lab and clinical researchers to conduct novel research on a major area of mental health. To partner with one of the world's most important and highly regarded medical institutions promises an opportunity for ground-breaking discoveries in mental health. The partnership also establishes MQ as a major player in mental health research in the United States. My priority for 2024 will be to ensure a successful launch of this important initiative.

I'm also excited to further MQ's contributions to mental

health research through the recruitment and funding of four new US-based MQ Mental Health Research Fellows. This new class of MQ Fellows will be the first group of MQ-funded researchers based exclusively in the US. In addition to the future findings these researchers might uncover, I'm especially eager for more American researchers to benefit from MQ's unique model. The new MQ Fellows will receive mentorship from members of the Mental Health Science Council and enjoy a true partnership with our research team throughout the fellowship period.

By funding more researchers based in the United States, I have the privilege of meeting our grantees and hearing them directly speak about their work. I also get to introduce the researchers to our growing US stakeholder community. The opportunity to speak directly with MQ Fellows attaches a human element to research that can't be replicated.

Q. And finally, has working for the MQ Foundation changed the way you think about mental health?

A. I am routinely awed by the intelligence and creativity of MQ-funded researchers. One of the biggest lessons that MQ has reinforced for me is that there is no one solution to any single mental health issue. If you have met one person struggling with a mental illness, you have met one person struggling with a mental illness; no person is the same, and treatments require flexibility. While one treatment might work well for one individual, it might not for another. That's why I'm so energized by MQ's multi-disciplinary approach to mental health science—MQ recognizes that by removing barriers between research disciplines, we unlock the potential for innovative new treatments and prevention systems for mental illness. ●

2023 A year of collaboration

2023 was a groundbreaking year for MQ. Not only did we turn 10 years old and win both a Charity Governance Award and a Prestige award, but this was the year that saw more partnerships, more networking and more cutting-edge research than ever before.



February

MQ's Gone Too Soon programme aimed to understand and reduce the premature mortality that is associated with severe mental illness. In 2023, the programme invested £2.7M into nine new research projects through Fellowships and culminated in a landmark paper published in the Lancet Psychiatry. This paper, written by 40 experts from around the world, mapped the factors that contribute to early mortality and made evidence-based recommendations to help prevent future deaths.

April

MQ partnered with DATAMIND to deliver two Data Science conferences in 2023, the first in April. These meetings and workshops are an important part of MQ's data science programme, and enable scientists to share knowledge, findings and best practice on the use of data science for research.



January

MQ welcomed five new members to the science council in 2023. Professors Stephanie Hatch, Karoline Kuchenbaecker, Henriette Raventós and Daisy Singla all joined in January, with Professor Kamaldeep Bhui joining in March.



Professor Stephanie Hatch

Professor of Sociology and Epidemiology and the Vice Dean for Culture, Diversity & Inclusion at King's College London.



Professor Karoline Kuchenbaecker

Professor of Genetic Epidemiology at the Division of Psychiatry at University College London.



Henriette Raventós

Professor in Human Genetics at the University of Costa Rica.



Professor Daisy Singla

Associate Professor in the Department of Psychiatry at the University of Toronto and Clinician Scientist at the Lunenfeld Tanenbaum Research Institute at Sinai Health.



Professor Kamaldeep Bhui CBE

Professor of Psychiatry, University of Oxford, Editor in Chief, British Journal of Psychiatry.



March

MQ published its first book with our partners at Enigma Wellness. *Your Mental Health* uses real life stories and interviews with experts to explain what different mental health conditions are, what it feels like to have them and what the latest research tells us. You can order your copy from all major book retailers.



May

MQ joined the leadership steering group for the national 'Mental Health Mission'; a UK government initiative that aims to accelerate mental health research in the UK via an investment of £42.7 million from the Office for Life Sciences (OLS) and the National Institute for Health and Social Care Research (NIHR).

August

Longitudinal data is collected by researchers all around the world, but it wasn't until Wellcome, King's College London, The Open Data Institute and MQ got together, that they were effectively mapped and presented as a collective resource that could be used to provide valuable insights into mental health. The Landscaping International Longitudinal Datasets project, led by Professor Louise Arseneault, will help advance our understandings of how our brains, bodies and environment all interact over time.

October

A partnership between MQ, Peopleful and the Workwell Research Centre at North-West University found that 1 in 4 employees in the UK were at risk of burnout, with a further 22% showing signs of stress related ill-health. This workplace mental health report is the first stage of a larger project to examine the long-term impact of the workplace on staff's wellbeing.

December

December saw MQ's 2-year partnership with Deutsche Bank draw to a close. This partnership has been transformative for MQ, raising over £2.1 million across the two years in unrestricted funds. Staff at the bank volunteered their time, fundraised and shared their skills for this partnership, the legacy of which will be felt for many years to come.



June

This year, MQ once again partnered with the All-Party Parliamentary Group for a fit and healthy childhood to produce a report for policy makers. 'The Major Conditions Strategy: A 10-year failure for mental health' included evidence from 25 experts and called on the Government to implement six recommendations including prioritising prevention, early intervention and timely access to mental health services.

Above: The Major Conditions Strategy: A 10-year failure for mental health' was delivered to Downing Street along with an open letter, co-signed by x experts and leaders from the mental health sector calling on the government to provide a long-term 10-year plan for improving the nations mental health.



July

To celebrate MQ's 10th birthday, Research Appreciation Day was launched. This annual awareness day, which will take place on the 5th of July each year, celebrates the work of many thousands of health researchers making a difference to peoples' lives. Many health research charities got involved on the day including Autistica, the Cystic Fibrosis Trust and Rethink Mental Illness.



September

MQ was not the only charity calling on politicians to commit to mental health in 2023. MQ's CEO, Lea Milligan, contributed towards a report by the Centre for Mental Health, which was also supported by many other mental health charities and organisations. This report asked all political parties in the UK to commit to build a mentally healthier nation in their election manifestos ahead of the elections which are expected in late 2024.



November

MQ is supporting the PHOSP (Post Hospitalisation Covid-19) study. A consortium of leading researchers and clinicians from across the UK working together to understand and improve long-term health outcomes for patients who have been in hospital with confirmed or suspected COVID-19. The study has found that people hospitalised with COVID are more likely to experience problems with brain function. The problems include 'brain fog' or slowed thinking and memory problems, dementia, depression and anxiety, seizures/epilepsy, insomnia and even psychosis.



Looking ahead to 2024

2024 is going to be a momentous year for the world. 60 countries, representing half of the people on earth, will be holding elections including the UK and USA. The Paris Olympics will unite the world through sport and spacecraft will be returning to the Moon for the first time in 50 years.

For mental health research, 2024 is going to be a year of potential breakthroughs.



Accelerating research into anxiety, depression and psychosis

The GALENOS (Global Alliance for Living Evidence on aNxiety, depressiOn and pSychosis) project will be publishing its first living systematic reviews in 2024. This project is being delivered by a consortium of global partners including MQ and is being led by the University of Oxford.

These living systematic reviews, or LSRs, will be a collation and review of all available scientific literature and data on specific topics. They are 'living' as they will be kept continuously updated and made readily available for the public to access.

The first LSR that GALENOS will be publishing is examining the efficacy and safety of a collection of medicines called TAAR1 agonists for the treatment of schizophrenia.

Developing new treatments for psychosis

The PUMA (Early Psychosis Multi-arm Multistage Platform trial) is a UK based project, launching in 2024, with investigators from the universities of Oxford, Cambridge and University College London among others, which aims to accelerate the delivery of clinical trials to transform treatments for psychosis.

Traditional clinical trials will test one new intervention against the existing standard treatment to see how it compares. PUMA will be testing multiple new interventions all at the same time and comparing them to existing treatments and each other. The investigators hope that this will speed up the development of new and more effective treatments for psychosis.

MQ will be responsible for recruiting, training, and supporting the lived experience experts, including both patients and carers, and leading the patient care engagement group ensuring that the voice of those who will be part of future trials is firmly at the centre of the platform's design

Diversifying mental health science

The MQ Transdisciplinary Grants will be announced in 2024 and aim to support researchers working outside of the traditional mental health fields of psychiatry, psychology and neuroscience. The grants will be for researchers and academics working in other, more diverse sciences such as maths, social sciences or tech, and allow them to apply their novel ideas and methods to further mental health science.

The awardees will conduct a literature review with a view to publishing a viewpoint paper, using their own disciplines, skills and knowledge, to help further understandings of what causes mental health conditions, or to find solutions for people affected.



Using research to keep children safe online

One in three internet users are children, with under 18's spending an average of 4-5 hours per day online. But what does a healthy relationship with the internet look like for children? How does online bullying, disinformation and the constant bombardment of advertising impact children's mental health? And what are the protective factors that should be in place to protect children and young people?

Further research is most definitely needed to understand how internet use affects mental well-being, how it links with other aspects of our digital life, and importantly, what to do about it. This is why MQ is supporting a new study with the University of Melbourne to be published in July 2024.

Accelerating the impact of research

It takes an average of 10 years for findings in a lab to be translated into real-world applications. For people living with severe mental illnesses, this is too long to wait. That's why MQ has partnered with 3B Impact to help accelerate the process of turning research into results.

The Research Impact Accelerator project will provide support and guidance, and map out the pathways to impact for some of MQ's existing or previous grant holders to help their work reach its full potential and change peoples' lives. This might mean identifying

the next steps for further research, sourcing additional funding, or cutting through with policy makers and health care providers to change treatment practices.

Working with The Lord Mayor's Appeal

MQ is very proud to be one of the charity partners of The Lord Mayor's Appeal. Support from the Appeal has already enabled MQ to conduct timely new research to help the nation better respond to the mental health issues arising from the ongoing cost-of-living crisis, and we will continue to work together over the next two years to ensure that the people most impacted can be better supported by the city.

"MQ Mental Health Research is proud to be working in partnership with The Lord Mayor's Appeal to transform the lives of the 1 in 4 of us affected by mental illness. While stigma is decreasing, there is still work to be done to enable and empower people to talk about their mental health – particularly against the backdrop of the ongoing cost of living crisis. Support from the Appeal is helping MQ to use research to find the answers we need to create real, tangible change for those experiencing mental illness and ensure that the most vulnerable in society are protected."

Emily Wheeler, Director of Research Partnerships and Development



MQ IDEA

Predicting depression for a brighter tomorrow

In 2018, the MQ IDEA (Identifying Depression in Early Adolescence) project successfully developed a tool to predict which young people were at risk of developing depression in later life.

Led by researchers Professor Valeria Mondelli from King's College London and Dr Christian Kieling from Universidade Federal do Rio Grande do Sul in Brazil, IDEA was an ambitious multi-national and multi-discipline project that aimed to develop more effective preventative and treatment strategies for adolescent depression which could be implemented across both high- and low- and middle-income countries.

Depression is a complex condition which is a consequence of many multi-layered factors including cultural, social, biological and environmental influences. A mixture of nature and nurture.

The key factor of the IDEA project's success was that the team didn't just examine each individual risk factor for depression, but that they looked at them together. This holistic approach allowed the team to see the bigger picture.

Following the development of the prediction tool, the team have now expanded this pioneering project to examine the biological mechanisms that increase the risk of developing depression. One area of focus is the role of inflammation, and so the IDEA-FLAME project was born.

Inflammation is our body's response to fight infections, but inflammation has also found to be increased after exposure to psychosocial stress particularly after traumatic experiences in childhood. It is already known from studies in adults that chronic low-grade inflammation is linked with depression. But little was known about how these biological processes interact with early life experiences and the impact on young people.

The IDEA-FLAME team have already made remarkable progress. The project worked with 150 adolescents for three years, monitoring their mental health and examining blood samples. The team identified higher levels of proteins, or cytokines, which are increased during inflammation when symptoms of depression become more severe in adolescents, but that these proteins are different in boys and girls. In boys, higher levels of the cytokine interleukin-2 (IL-2) were present whilst in girls, it

was higher levels of IL-6.

This discovery could be particularly important when developing prevention and treatment strategies as these may need to be different between boys and girls.

The ultimate goal of the IDEA project is to be able to identify young people who are at risk of developing depression so that they can receive targeted interventions before symptoms even start to develop.

This could help people like Deepanshi Gulati, founder of the non-profit Rain On Me and an MQ Ambassador.

Deepanshi has lived with depressive tendencies for over 15 years, along with Obsessive Compulsive Disorder (OCD), Anxiety, and Attention Deficit Hyperactivity Disorder (ADHD)

"When I was 9, we moved to the UK. This was a huge change, and I felt quite isolated after leaving family behind. It was around then that my depression set in, but I didn't really feel that something wasn't right until I developed problems sleeping. From about the age of 12 or 13, it just got progressively worse, and I started to have panic attacks at 14 years old. By 15, I was sleeping with loud music every night. That was the only way I knew how to fall asleep. I was terrified of the silence and had intrusive thoughts, thinking someone was going to come into my room and attack me.

I think I didn't realise what was happening until only a few years ago when I reached my rock bottom. Reaching rock bottom forced me to introspect and see what I



needed to change to overcome my hardships.

I talked to my parents who were just so understanding and supportive. I feel so lucky that even though they couldn't understand exactly how I felt, they did understand that I needed some help.

I am aware that not everyone has access to the support that I did. I started Rain On Me because I wanted to meet other people going through similar life experiences so that we could reassure each other and know we were not alone in our struggles.

For me, the signs have been there for many years, but I didn't know they were signs I was supposed to look out for. If I had received mental health education from a younger age or if it wasn't a taboo topic to talk about, I think I would've been able to ask for help and tackle my struggles a lot sooner.

This is an important discovery as it identifies inflammatory markers which helps to predict the onset of adolescent depression.

75% of mental illnesses develop in childhood, and depression will affect up to 1 in 5 people worldwide.

I wanted to do my part and help minimise stigma by normalising mental health struggles and empowering individuals to do good for themselves and others."

It is the experiences of young people like Deepanshi that motivates the IDEA team to keep working. 75% of mental illnesses develop in childhood, and depression will affect up to 1 in 5 people worldwide.

"We still lack good prevention and treatment strategies for depression in adolescence and this is largely due to the fact that we still do not know enough about how depression develops and how to identify adolescents who are at highest risk for depression. This is particularly important for the world's poorest countries, where 9 out of 10 children and adolescents live," says Prof Valeria Mondelli.

"The ultimate goal of the IDEA-FLAME project is to identify biological and in particular inflammation-related mechanisms involved in increasing the risk and development of depression in adolescence. This will help not only to identify adolescents at risk at an early stage (before the develop the disorder) but also to develop treatments targeting specifically the biological mechanisms involved in the development of adolescent depression and support more effective prevention and treatment strategies.

The support of MQ has been fundamental and allowed us to tackle the problem from different angles. With MQ's support we are now studying in more detail the profile of the immune cells collected from the adolescents from the IDEA project to understand what the source of the

inflammation at a cellular level may be.

In 2024 we are aiming to test whether combining our prediction tool with measures of inflammation via blood tests can improve our predictive ability to identify adolescents at risk of developing depression."



Rainonme.org offers peer support and befriending services for young people and is a registered community interest company.

You can read more about the IDEA project, and Deepanshi's story, on the MQ website.

Financial Review and Strategic Report

Summary

This year represented another fantastic year for income generation and fundraising. Despite the backdrop of the cost-of-living crisis, turbulence in global security and a growing mental health burden, MQ Mental Health Research has sustained and strengthened its financial position and significantly grown the amount of research commissioned. We have successfully diversified our income, with a new £1 million income stream from research partnerships, meaning MQ is now both investing & launching new research through grants, but also advancing research through collaborations. Fundraising highlights of 2023 included £1.1m of income from Deutsche Bank and securing a three-year partnership with the Lord Mayor's Appeal in London. All of which has enabled the commission of our largest ever Fellowships programme, the launch of new funding rounds for Scholars, Trans Disciplinary Research, Impact Acceleration, and a US based Fellows class in 2024.

Income

Overall income for the year was stable with results of 2023 at £3.48m (2022: £3.54m). Philanthropic income decreased by 1% to £3.23m (2022: £3.25m) representing 95% of income (2022: 92%); of which £0.55m (2022: £0.61m) is from the US-based MQ Foundation. Other generated income decreased by 42% to £0.16m (2022: £0.27m).

For a second successive year there was no draw down of seed funding from Wellcome, a continuation of MQ's journey to sustainability in realising a break-even position without reliance on this start up fund. With this long-term ambition achieved for a successive year and a strong pipeline of future income developing, the board have now developed a plan in partnership with Wellcome to utilise the setup fund to invest in continued sustainability and growth over the coming years.

Expenditure

MQ Mental Health Research spent a total of £2.01m (2022: £2.20m) in charitable grants and programmes to help understand, treat and prevent mental ill-health. The consolidation of the UK team has yielded efficiencies and will impact future growth positively whilst ensuring fundraising expenditure £0.56m (2022: £0.53m) is kept at a competitive and appropriate proportion of expenditure. Recognising the uncertainty of 2024 and the ambitious research goals for 2021-26, the Trustees have retained a portion of the income to be spent on increasing operational delivery over the next year and supporting the launch of new research grants.

Reserves Policy

The Trustees review the reserves policy annually. In recognition of global financial uncertainty, the Trustees feel the current policy is adequate. The policy requires MQ Mental Health Research to hold reserves (unrestricted funds) to cover a minimum of six month's expenses, based on the annual budget as agreed by the Board. This was set at £0.80m based on the 2024 budget excluding fixed assets.

As of the 31st of December 2023, the free reserves of the charity amounted to £0.80m. Restricted funds are not included in the reserves policy, as the Trustees have no discretion over how they are spent. If the Trustees choose to designate funds, these will not be included in the reserves policy, as they are held for a designated purpose. All grants' awards are retained in designated or restricted funds to ensure the continuity of funding to researchers and institutions.

Funds

At the end of 2023, total funds stood at £5.30m (2022 £4.40m):

- Restricted funds amounted to £2.08m (2022 £1.52m) and are subject to conditions imposed by donors or implied by the nature of an appeal;
- Designated funds of £2.41m (2022 £1.92m) are held as awarded research grants;
- Unrestricted funds of £0.81m (2022 £0.96m) comprise free reserves equivalent to 6 months based on the 2024 budget.

Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year-end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, our budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditure. We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future. Furthermore, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern.

Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The risks which face the charity are detailed in its consolidated risk register, which the Directors keep under active review. Headline Risks in 2023-24 include:

- ***Uncertainty of the ongoing financial and social impact of global events***

Mitigation – the board review stress testing of banking arrangements and have a diversified portfolio of risk. Fundraising efforts are focused on a range of segments and levels to reduce the potential impact of any sector-wide downturn.

- ***Risk of losing key personnel***

Mitigation – existing HR processes include detailed job descriptions with clear roles and responsibilities which are defined in a matrix structure. In addition, a list of accounts and passwords is securely stored and once business travel resumes, insurance for key staff is already in place. Temp and recruitment agencies have already been sourced in case of an urgent need for staff.

- ***Donor pyramid is heavily weighted on large partnerships***

Mitigation – monitor fundraising channels closely and assess regularly. Document all trials, programmes for success/fail factors. Expanded the fundraising team with a focus on continued new partnership and business development opportunities to diversify the portfolio of income.

- ***Income is outstripped by expenditure jeopardising the sustainability of the organisation resulting in lack of growth or closure.***

Mitigation – focused fundraising plans have been executed; scenario and sensitivity budgets developed; regular cashflow forecasting is undertaken. With an increase in longer-term funding partnerships, the risk of unsustainable fundraising decreased in the medium term, but ongoing mitigation through unrestricted income generation is required for sustainability in 2026 and beyond.

The Trustees believe that appropriate policies to mitigate lower-level day-to-day risks have been adopted. They also believe that key financial systems are in place and appropriate internal controls are maintained for an organisation of the charity's size and complexity. The overall financial and operational control environment is kept under regular review by the CEO and Director of Finance with regular reports provided to the Executive Team and Board.

Corporate Structure and Governance

MQ Mental Health Research, company number 07406055 and charity number 1139916 (England & Wales) and SC046075 (Scotland), is a charitable company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association dated the 19th of January 2011 and it was incorporated on the 13th of October 2010. The Memorandum and Articles of Association were revised on the 12th of March 2019. Under the conditions of the guarantee, members' liability is restricted to £1 each. The number of members in 2023 was 10 (2022: 10).

MQ Mental Health Research is the owner of a registered trademark and, as such, through a license agreement, licenses The MQ Foundation, a 501c3 non-profit company registered in New York, USA.

Additional agreements define the operational and strategic links between the organisations, safeguarding the independence of both entities and their responsibilities for data protection, financial management, safeguarding and strategic operation.

New trustees receive an induction pack and a series of induction meetings with the Chair, CEO and executive team. The chair of the board is responsible of oversight of the development and training of the board and trustees are regularly updated with new resources from the Charity Commission, NCVO and AMRC by the Finance Director.

MQ Mental Health Research's charitable objects

The Board has ongoing regard to the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans. MQ Mental Health Research continues to make a significant impact in funding and supporting ground-breaking research, convening experts through events and forums and supporting the publication of studies and reports. Regular monitoring

and reporting of projects are carried out to ensure that MQ continues to deliver world-class research and is utilising funds in line with the wishes of donors in the UK, US and around the world.

Safeguarding

MQ's safeguarding arrangements are reviewed annually and the Trustees feel that policies in place represent a robust due diligence on those receiving grants, a strong framework to protect vulnerable donors and clear training and support for all staff engaging in frontline activities.

Research highlight:

Claire Gillian created an AI to predict how effective treatments for depression will be for different individuals. A challenge has been gathering enough patient data to be able to train the AI, so Claire and her team developed an internet-based method that can gather large amounts of high-quality data. This brings us a step closer to being able to personalise treatments for depression.



Board and management roles

The MQ Mental Health Research Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is responsibly managed.

The Board's principal roles are:

- Approving the mission, strategies, policies and annual business plan;
- Appointing and overseeing the CEO;
- Monitoring performance and risk management;
- Reporting performance with integrity and transparency;
- Setting the vision and maintaining high standards of stewardship and values;
- Ensuring compliance with UK law and Charity Commission regulations;
- Managing its governance processes;
- Adding value by advising management;
- Representing the interests of MQ Mental Health Research's stakeholders.

The Board delegates responsibility for operational management to the CEO (the Principal Officer), who is responsible for developing the organisation's plans, policies and processes, following Board advice and approval. The Executive Team made up of Director of Finance, Director of Research Partnerships & Development and Head of Marketing, support the leadership of the organisation's strategic growth.

Board composition

The Board comprises independent, unremunerated, non-executive directors (trustees) who have a broad range of skills and experience including from scientific, clinical, financial, legal and strategic backgrounds. Recognising the international collaboration of charities, MQ Mental Health Research provides observers in the form of the Chair and the CEO to the MQ Foundation Board and, in return, receives two members from the MQ Foundation Board as full MQ Mental Health Research Trustees. As the Board continues to strengthen and expand, the Trustees are committed to the highest standards and encouraging applications from a diverse range of individuals.

Trustee recruitment, induction and training are overseen by working groups of the Board.

Board expenses

No fees or remuneration are paid for serving as a MQ Mental Health Research Board member. MQ Mental Health Research reimburses reasonable expenses incurred in the course of acting as a director. This includes travel and accommodation expenses required to attend meetings, training and orientation costs. Every effort is made to ensure costs are at a minimum.

2023 highlight:



A group of six Deutsche Bank employees performed and released a single to raise funds for MQ. Crumble, which was written Dave Brooks and arranged by Peter Burton captures the feelings of struggling with mental health and the power of community in addressing this. You can find Crumble on all major music platforms by searching MQDB.

Board meetings

The Board meets four times a year, with additional meetings as required. The Board has one subcommittee and one advisory body respectively:

- Finance & Audit Committee – to independently review the audit results and report to the board;
- Mental Health Sciences Council – a global inter-disciplinary group of world-leading researchers that advises on the scientific strategy and work of the charity.

These groups are established under formal terms of reference, which are reviewed annually. The groups include members with directly relevant experience. The Board does not delegate major decision-making powers to these groups and ratifies all recommendations.

Research highlight:

Professors Carol Worthman and Rory O'Connor followed an extensive road mapping process of evidence reviews and consultation with mental health researchers, clinicians, policy experts and people with lived and living experience of mental illnesses and suicide to produce the groundbreaking Gone Too Soon Roadmap.



Trustees' responsibilities in relations to the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of the information to Auditor

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Remuneration policy

MQ's salaries are set within pay band structures at each grade, informed by external benchmarking, as necessary. The performance of key management personnel is monitored via regular one to one meetings with the CEO (and the CEO with the Chair), assessment against objectives and an annual appraisal process. Any salary awards for key management personnel must be approved by the board.

Fundraising

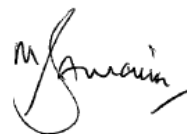
MQ Mental Health Research complies with the Fundraising Standards Board Requirements and is registered with the Fundraising Regulator, only utilising agencies that are compliant with these standards. MQ does not solicit gifts by telephone or door to door acquisition methods, has received no complaints from any regulator and ensures that all donors receive only the communications they request.

Auditor

Moore Kingston Smith LLP were appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard 102.

The Trustees annual report has been approved by the trustees on the 16th of April 2024 and signed on their behalf by:



Shahzad Malik
Chairman



Helen Munn
Trustee

Independent Auditor's Report to the Trustees and Members of MQ Transforming Mental Health

Opinion

We have audited the financial statements of MQ Transforming Mental Health ('the company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 26, the trustees (who are also the directors of the charitable company for the purposes

of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements,

whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 & 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Samir Chandoo (Senior Statutory Auditor) 24 April 2024

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
9 Appold Street, London, EC2A 2AP

Moore Kingston Smith LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	2	2,099,827	20,529	2,120,356	1,857,975
Charitable activities	2	-	1,262,794	1,262,794	1,662,716
Investments	3	97,106	-	97,106	21,831
Total income		2,196,933	1,283,323	3,480,256	3,542,522
Expenditure on:					
Raising funds	4	563,964	-	563,964	530,616
Charitable activities					
Scientific research	4	687,414	726,438	1,413,852	1,548,461
Awareness raising and Advocacy	4	598,857	-	598,857	646,810
Total expenditure		1,850,235	726,438	2,576,673	2,725,887
Net income for the year and net movement in funds		346,698	556,885	903,583	816,635
Reconciliation of funds:					
Total funds brought forward		2,873,614	1,523,403	4,397,017	3,580,382
Total funds carried forward		3,220,312	2,080,288	5,300,600	4,397,017

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.

Company no. 07406055

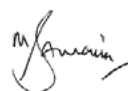
Balance sheet

As at 31 December 2023

	Note	2023	2022
		£	£
Fixed assets:			
Tangible assets	12	15,414	14,829
		15,414	14,829
Current assets:			
Debtors	13	243,114	199,823
Cash at bank and in hand	18	5,147,668	4,448,376
		5,390,782	4,648,199
Liabilities:			
Creditors: amounts falling due within one year	14	(105,596)	(266,011)
Net current assets		5,285,186	4,382,188
Total net assets	15	5,300,600	4,397,017
The funds of the charity:			
Restricted funds	16	2,080,288	1,523,403
Unrestricted funds (including designated funds)			
Designated funds	16	2,406,209	1,917,665
General funds	16	814,103	955,949
Total funds		5,300,600	4,397,017
Total charity funds		5,300,600	4,397,017

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard 102.

Approved by the trustees on 16 April 2024 and signed on their behalf by **Shahzad Malik, Chairman**



Helen Munn, Trustee



Statement of cash flows

For the year ended 31 December 2023

	Note	2023	2022
		£	£
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	17	611,539	1,027,117
Cash flows from investing activities:			
Purchase of fixed assets		(9,353)	(11,595)
Loss on Fixed asset disposal		-	910
Interest received		97,106	21,831
Net cash provided by / (used in) investing activities		87,753	11,146
Change in cash and cash equivalents in the year		699,292	1,038,263
Cash and cash equivalents at the beginning of the year		4,448,376	3,410,113
Cash and cash equivalents and net debt at the end of the year	18	5,147,668	4,448,376

Notes to the financial statements

For the year ended 31 December 2023

1. Accounting policies

a) 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP 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 or note. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern for at least 12 months from the date of signing these financial statements. The trustees have approved operational plans and expenditures based on income level and are confident of operating the charity well within the parameters of our reserves policy. Also, the trustees review the annual budget during mid-year reforecast and reassess the reserve position. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. Accounting policies *(continued)*

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grants to mental health research organisations, advocacy activities and other educational and awareness raising activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when MQ upon annual review approve the milestones in the grant agreement are met. Contingent grant liabilities are disclosed when the charity has indicated a willingness to fund a project but the grant milestones have not yet been met (note 20).

When the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable, the total grant commitment is set aside in a designated fund (note 20).

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Scientific research	40%
• Awareness raising and Advocacy	25%
• Cost of raising funds	35%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1. Accounting policies *(continued)*

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Leasehold Property 5 years
- Office Equipment 3 years
- Fixtures and Fittings 5 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of 100 days or less from the date of acquisition or opening of the deposit or similar account

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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 method.

p) Estimates and Uncertainties

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments (see 1(i)).

The trustees do not consider that there are any sources of estimation uncertainty (other than grant commitments Note 20) at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

q) Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

r) VAT

The charity is registered for VAT. Irrecoverable VAT is charged to the expenditure heading for which it was incurred.

2. Income

	2023			2022		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Donations and legacies						
Individual Giving	114,912	20,529	135,441	198,577	2,498	201,075
Philanthropy and Partnerships	1,984,915	-	1,984,915	1,656,900	-	1,656,900
	2,099,827	20,529	2,120,356	1,855,477	2,498	1,857,975
Charitable activities						
Wellcome Trust*	-	20,000	20,000	-	42,889	42,889
Philanthropy and Partnerships	-	1,242,794	1,242,794	-	1,597,093	1,597,093
Co-Funding	-	-	-	-	22,734	22,734
	-	1,262,794	1,262,794	-	1,662,716	1,662,716
	2,099,827	1,283,323	3,383,150	1,855,477	1,665,214	3,520,691

*Under the Wellcome Trust's Grant Letter of 16th January 2012, at the balance sheet date, the charity had drawn down £21m. The company can in due course (and subject to compliance with the requirements set out in the grant letter) drawdown in aggregate, a further £1.9m (2022: £1.9m).

3. Income from investments

	2023			2022		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Bank interest received	97,106	-	97,106	21,831	-	21,831
	97,106	-	97,106	21,831	-	21,831

4. Analysis of expenditure

	Cost of raising funds £	Charitable activities		Governance costs £	Support costs £	2023 Total £
		Scientific research £	Awareness raising and Advocacy £			
Staff costs (Note 7)	196,143	395,574	319,216	25,786	128,932	1,065,651
Grant-making	-	657,085	-	-	-	657,085
Other direct costs	158,288	142,338	131,665	5,053	89,611	526,955
Office costs	975	69	37	1,248	192,622	194,951
Audit	-	-	-	20,721	-	20,721
Bank charges	140	287	243	-	1,226	1,896
Foreign exchange (gains) and losses	-	-	-	-	25,248	25,248
Meetings	28,157	12,487	18,938	5,078	18,838	83,498
Legal fees	-	-	-	668	-	668
	383,703	1,207,840	470,099	58,554	456,477	2,576,673
Support costs	159,767	182,591	114,119	-	(456,477)	-
Governance costs	20,494	23,421	14,639	(58,554)	-	-
Total expenditure 2023	563,964	1,413,852	598,857	-	-	2,576,673

Of the total expenditure, £1,850,235 was unrestricted (2022: £1,753,116) and £726,438 was restricted (2022: £972,771).

4. Analysis of expenditure (continued)

	Cost of raising funds £	Charitable activities		Governance costs £	Support costs £	2022 Total £
		Scientific research £	Awareness raising and Advocacy £			
Staff costs (Note 8)	178,799	300,068	225,595	24,210	121,050	849,722
Grant-making	-	988,330	-	-	-	988,330
Other direct costs	198,781	102,228	326,977	6,119	22,468	656,573
Office costs	348	-	223	214	165,201	165,986
Audit	-	-	-	22,934	-	22,934
Bank charges	25	620	35	29	1,245	1,954
Foreign exchange (gains) and losses	-	-	-	-	(23,779)	(23,779)
Meetings	21,320	7,109	163	10,250	12,609	51,451
Legal fees	-	-	-	12,270	446	12,716
	399,273	1,398,355	552,993	76,026	299,240	2,725,887
Support costs	104,734	119,696	74,810	-	(299,240)	-
Governance costs	26,609	30,410	19,007	(76,026)	-	-
Total expenditure 2022	530,616	1,548,461	646,810	-	-	2,725,887

5. Grant making (Grants to institutions)

	2023 £	2022 £
Cost		
Fellows Programme	313,327	275,692
PsyIMPACT	44,886	-
Data Science	24,831	-
Brighter Futures	251,541	370,638
At the end of the year	634,585	646,330

The Fellows programme supports the brightest and best early career scientists who are asking challenging questions that will contribute to transformative advances in mental health.

The PsyIMPACT programme supports innovative research to develop and test psychological treatments, getting people the right treatments faster.

The Data Science programme awards grants to help realise the huge potential in the near term to harness data science to drive forward research.

The aims of MQ's Brighter Futures programme stem from the fundamental belief that research can change the trajectory of mental illness in young people, tackling the life-long impacts of many conditions and working towards a world where mental illness may one day be made preventable.

6. Net income for the year

This is stated after charging / (crediting):	2023 £	2022 £
Depreciation	8,768	6,311
Property lease rentals	136,800	114,000
Auditors' remuneration (excluding VAT)	17,268	19,112
Foreign exchange (gains)/ losses	25,2485	(23,779)

7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:	2023	2022
	£	£
Salaries and wages	932,269	736,358
Social security costs	92,818	79,358
Employer's contribution to defined contribution pension schemes	40,565	34,006
	1,065,652	849,722

The following number of employees received employee benefits (excluding employer pension costs) during the year between:	2023	2022
	No.	No.
£60,000 - £69,999	2	1
£70,000 - £79,999	1	1
£100,000 - £109,999	-	-
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-

The pension contributions paid to higher employees amounted to £16,456 (2022: £12,469).

8. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel *(continued)*

The total employee benefits (including employers' NI and pension contributions) of the key management personnel (CEO, Director of Finance, Director of Research Partnerships & Development and Head of Marketing) were £385,252 (2022: £363,221).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,008 (2022: £10,533) incurred by 10 (2022: 10) members relating to attendance at meetings of the trustees.

9. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Raising funds (Including one Part time staff)	5	5
Scientific research	5	3
Awareness raising and advocacy	8	5
Support (Including one Part time staff)	4	3
	22	16

10. Related and connected party transactions

Aggregate donations from trustees were £32,395 (2022: £25,360).

MQ works closely with The MQ Foundation, a US-based s501c3 public charity founded in 2018, whose mission and priorities are closely aligned with those of MQ. MQ has licensed the MQ brand to the MQ Foundation to foster synergy and efficiency between the two organisations. The MQ Foundation board remains an independent body with discretion on how to allocate funds toward its mission. Two of the MQ Foundation board members John A Herrmann and Michael J Horvitz sit on the Board of MQ. However, neither charity exerts control over the other. In 2023 MQ Foundation provided grants totalling \$675,000 to MQ.

Professor Rory O'Connor is a trustee of the Charity. The board approved a £15,000 grant for research at Glasgow University where Professor Rory O'Connor was the principal investigator. He was recused from the grant funding decision.

11. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At the start of the year	2,761	45,359	48,120
Additions in year	-	9,353	9,353
Disposals in year	-	-	-
At the end of the year	2,761	54,712	57,473
Depreciation			
At the start of the year	2,710	30,581	33,291
Charge for the year	51	8,717	8,768
Eliminated on disposal	-	-	-
At the end of the year	2,761	39,298	42,059
Net book value			
At the end of the year	-	15,414	15,414
At the start of the year	51	14,778	14,829

13. Debtors

	2023 £	2022 £
Other debtors	57,000	57,016
Accrued Income	126,253	81,864
Prepayments	59,861	60,943
	243,114	199,823

14. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	11,383	8,951
Other creditors	7,128	5,154
Deferred Income	-	150,000
Grant Creditors	61,750	82,724
Other Accruals	20,910	19,182
Taxation and Social Security	4,425	-
	105,596	266,011

15. Analysis of net assets between funds

a) At 31 December 2023	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	-	15,414	15,414
Current assets	2,080,288	3,310,494	5,390,782
Current liabilities	-	(105,596)	(105,596)
Net assets at the end of the year	2,080,288	3,220,312	5,300,600

b) At 31 December 2022	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	-	14,829	14,829
Current assets	1,523,403	3,124,796	4,648,199
Current liabilities	-	(266,011)	(266,011)
Net assets at the end of the year	1,523,403	2,873,614	4,397,017

16. Movements in funds

a) Year ended 31 December 2023	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures IDEA	297,329	-	(104,429)	-	192,900
Fellows	1,168,312	798,995	(328,798)	-	1,638,509
Research Activities	57,762	484,328	(293,211)	-	248,879
Total restricted funds	1,523,403	1,283,323	(726,438)	-	2,080,288
Unrestricted funds:					
Designated funds:					
Grant commitments	1,917,665	-	(635,363)	1,123,907	2,406,209
Total designated funds	1,917,665	-	(635,363)	1,123,907	2,406,209
General funds	955,949	2,196,933	(1,214,872)	(1,123,907)	814,103
Total unrestricted funds	2,873,614	2,196,933	(1,850,235)	-	3,220,312
Total funds	4,397,017	3,480,256	(2,576,673)	-	5,300,600

16. Movements in funds *(continued)*

b) Year ended 31 December 2022	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures IDEA	266,480	124,789	(93,940)	-	297,329
Fellows	548,882	874,134	(254,704)	-	1,168,312
Research Activities	-	608,791	(551,029)	-	57,762
ENIGMA Book	15,598	57,500	(73,098)	-	-
				-	-
Total restricted funds	830,960	1,665,214	(972,771)	-	1,523,403
Unrestricted funds:					
Designated funds:					
Grant commitments	1,833,003		(694,453)	779,115	1,917,665
Total designated funds	1,833,003	-	(694,453)	779,115	1,917,665
General funds	916,419	1,877,308	(1,058,663)	(779,115)	955,949
Total unrestricted funds	2,749,422	1,877,308	(1,753,116)	-	2,873,614
Total funds	3,580,382	3,542,522	(2,725,887)	-	4,397,017

16. Movements in funds *(continued)*

Purposes of restricted funds

Brighter Futures IDEA	This fund contributes money toward the IDEA of the Brighter Futures project
Brighter Futures ADP	This fund contributes money toward the Adolescent Data Platform workstream of the Brighter Futures project
Data Science	This fund is used to help fund our data science programme
Fellows	This fund helps to pay for our Fellows programme
PsyImpact	This fund helps to pay for our PsyImpact programme
Research Activities	This is combined of research activities which is delivered by research team.
ENIGMA Book	Co-produced with our corporate partner Enigma Holdings the Enigma book uses the personal stories of celebrities and other people with lived experience to explain different mental health conditions and the latest research around them.

Purposes of designated funds

Grant commitments represent amounts awarded in relation to our Fellows, Data Science, Bright Futures and PsyIMPACT programmes payable in future years but where there is uncertainty of the timing of the grant payment as it is dependent on milestones being achieved.

17. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	903,583	816,635
Depreciation charges	8,768	6,311
Interest Received	(97,106)	(21,831)
Decrease/(increase) in debtors	(43,291)	176,080
(Decrease) / Increase in creditors	(160,415)	49,922
Net cash provided by / (used in) operating activities	611,539	1,027,117

18. Analysis of cash and cash equivalents and changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	4,448,376	699,292	5,147,668
Overdraft, Loan and Finance Lease	-	-	-
Total cash and cash equivalents	4,448,376	699,292	5,147,668

19a. Commitments

The charity's total future minimum lease payments under non-cancellable leases is as follows for each of the following periods

	2023		2022	
	Land & Buildings	Other	Land & Buildings	Other
	£	£	£	£
Within one year	136,800	698	136,800	698
Two to five years	22,800	698	159,600	407
Over five years	-	-	-	-
Total	159,600	1,396	296,400	1,105

19b. Operating Lease Income

Future payments receivable under these non-cancellable operating leases for each of the following periods following the balance sheet date are:

	2023	2022
	£	£
Within one year	62,700	50,160
Two to five years	5,700	4,560
Total	68,400	54,720

20. Grant commitments

At 31 December 2023, the charity has committed to future expenditure amounting to £2,406,209 (2022 - £1,917,665) in relation to its Fellows, Data Science, Brighter Futures and PsylMPACT programmes. The movements on these commitments are as below.

	2023	2022
	£	£
Balance at the start of the year	1,917,665	1,833,003
New grants committed to	1,123,907	779,115
Exchange Rate differences/(write back)	(778)	(48,123)
Expended in the year	(634,585)	(646,330)
Balance at the end of the year	2,406,209	1,917,665
These commitments are expected to be payable as follows		
In one year	1,129,483	886,965
In two to five years	1,276,726	1,030,700
Total	2,406,209	1,917,665

The grant commitments are not fully recognised in the year they are committed, as they are subject to annual progress review before further instalments are released. The amounts accounted for in the year are those MQ deem the milestones in the grant agreement have been met.

21. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22. Statement of financial activities (incorporating an income and expenditure account)

	Note	Unrestricted £	Restricted £	2022 Total £
Income from:				
Donations and legacies	2	1,855,477	1,665,214	3,520,691
Charitable activities	3	-	-	-
Investments	4	21,831	-	21,831
		-	-	-
Total income		1,877,308	1,665,214	3,542,522
Expenditure on:				
Raising funds	5	530,616	-	530,616
Charitable activities				
Scientific research	5	648,788	899,673	1,548,461
Awareness raising and Advocacy	5	573,712	73,098	646,810
Total expenditure		1,753,116	972,771	2,725,887
Net income for the year and net movement in funds	7	124,192	692,443	816,635
Reconciliation of funds:				
Total funds brought forward		2,749,422	830,960	3,580,382
Total funds carried forward		2,873,614	1,523,403	4,397,017

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.

**Thank you to all
of our generous
supporters.**

American Foundation for Suicide Prevention
Angelo Gordon
Charity Governance Awards
Christopher and M.E. O'Connor
Chris Parsons
Deutsche Bank
Evan Stieglitz
Funky Pigeon
Garfield Weston Foundation
Geller and Company
Greater Manchester Mental Health NHS Foundation Trust
The Bedford Family
James Palmer
Jeffrey A. Schoenfeld
John A. Herrmann Jr.
Juvenile Diabetes Research Foundation
Kepler Cheuvreux Foundation
King's College London
Kirsh Foundation

Laura Pignatelli
Lisa Yahr
Maddy Burgess
The McNear Family
Medical Research Council
Jane and Michael Horvitz
MonKey Business Foundation
Rachel Palmer
Rachel Oestreicher Bernheim
Rosetrees Trust
Shahzad Malik
Springer Nature Group
Stephanie Bernheim
Susan and John McDonough
The Lord Mayor's Appeal
The Prudence Trust
The Wellcome Trust
University of Oxford
Woody and Maria Campbell



Thank you also to all of those who gave anonymously.



MQ: Transforming mental health is a company registered in England and Wales (Co number 7406055) and a charity registered in England and Wales (Charity number 1139916) and Scotland (SC046075).

Accounts



LOOKING BACK TO SHAPE THE FUTURE

MQ: Transforming Mental Health **2022 ANNUAL REPORT**

Trustees report and financial statements for the
year ended December 2022

Celebrating 10 years of MQ Mental Health Research

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Administrative details

Company number

07406055

Charity number

1139916
SC046075

Registered office

6 Honduras Street
London
EC1Y 0TH

Country of registration

England & Wales

Country of incorporation

United Kingdom

Bankers

Santander	Lloyds Bank
Bootle	74-78 Church Road
Merseyside	Hove
L30 4GB	BN3 2EE

Solicitors

Womble Bond Dickinson
4 More London Riverside
London
SE1 2AU

Auditors

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

Trustees

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

Dr Shahzad Malik (Chair)
Mr John A Herrmann
Professor Emily Holmes (*resigned 19th April 2022*)
Mr Michael J Horvitz
Professor Peter Jones
Ms Helen Munn OBE
Professor Rory O'Connor
Mr James Palmer (*Appointed 16th of January 2023*)
Mr Chris Parsons
Professor Irene Tracey CBE (*resigned 31st December 2022*)
Ms Sarah Woolnough

Key management

Mr Lea Milligan, CEO
Mr Jey Balakrishnar, Director of Finance & Operations
Ms Emily Wheeler, Head of Development
Ms Bryony Doughty, Head of Marketing

Mental Health Sciences Council

Chair: Professor Peter Jones
Professor Jehannine Austin
Professor Hilary Blumberg
Professor Kamaldeep Bhui CBE
Sir Philip Campbell
Professor Lai Fong Chan
Dr Dixon Chibanda
Professor Helen L. Fisher
Professor Stephani Hatch
Cynthia Joyce
Professor Karoline Kuchenbaecker
Professor Andrew McIntosh
Dr Helen Munn OBE
Professor Rory O'Connor
Professor Henriette Raventos
Dr Jessica Schleider
Professor Daisy Singla
Professor Irene Tracey CBE
Professor Carol Worthman

For more information about MQ's Science Council please see page 10.



Annual Report 2022: Introduction

By Juliette Burton
MQ Staff

The only constant in life is change. Entering a new year with a new job with MQ as a copywriter was a big change for me and one I'm already viewing in a new light.

A big part of my new role at MQ is to make mental health research more accessible to a wider audience. Sharing the lived experience of mental illness with the widest possible audience is at the heart of Who I Am.

As well as copywriter for MQ, I am comedian, writer and public speaker. For over a decade, I have written about and spoken about my mental health experiences. This path was natural to me. I'd found over the years that, when I told people about my mental illnesses and the dark places they have taken me, laughter was a way of finding the light. Laughter breaks down barriers and increases understanding. If we're laughing together, we feel less alone. And I do not want anyone to feel as alone as I have.

I was sectioned under the mental health act when I was 17. I've been an inpatient for mental illnesses 5 times. I've been diagnosed with 15 different mental illnesses. I've been in therapy, both private and through the NHS, for over 20 years. I'm what psychiatrists call "a bit much."

For years I've used creativity and comedy to find light in the darkness of my experiences.

My latest show 'No Brainer' is all about neuroscience and what I learned when my brain 'broke'. After yet further, deeper challenges to my mental health in recent years, I needed to understand why my mind works with my body the way it does. I realised, even after all I've learned so far, there was still so much more to discover. And so, I did a deep dive into trying to understand everything I could about my brain. I read books, I consumed content and used what I learned for my show. However, one thing remained clear to me, we don't yet know enough about mental illness.

Communicating with humour means I can communicate complicated ideas in a palatable way. I can put people at ease. Most of all, I can change the narrative. Too frequently my mental health history, once disclosed, was met with fear, dismissal, or pity. I am not someone to fear, to ignore or to feel sorry for. I am so much more than my mental illnesses, yet I am who I am because of, and in spite of, them.

In my disability rights and activism work, there is a phrase I've come across to describe the experience of those with physical disabilities: 'My condition is my medical condition. My disability is how society treats me.' I live with my mental health conditions but it's how society treats me unequally that disables me.



Comedy is a way to change a narrative of inequality as quickly as possible. I've found making someone laugh can be the fastest way to change their perspective, to change their mind about someone or something. If you are laughing with me then you can learn from me too, sometimes without realising. If comedy is a way to change the narrative, then research is the way to make progress.

Making research accessible is key to wider societal progress. Education without accessibility keeps knowledge exclusively for the knowledgeable. Making information not only available but understandable and engaging to as many people as possible helps inform, educate and entertain. Knowledge is power, so making knowledge accessible is empowering.

Making knowledge available to the widest possible audience is what I long to do. Hence why I applied to work for MQ Mental Health Research.

If we're laughing together, we feel less alone. And I do not want anyone to feel as alone as I have.

Taking big steps forward and challenging the status quo is at the core of how I live. And it was this approach to research that attracted me to MQ. Mental health treatment, prevention and understanding needs to improve. MQ is working with researchers to improve these areas in ways that could affect the medical landscape profoundly in years to come.

For years I've been longing for, seeking and attempting to contribute to change; real, systemic change backed by research, not just hyperbole, rhetoric or awareness-raising. Awareness is important, has been important, but it hasn't moved us as a society forward as fast as we need to so that we can respond to the deepening mental health crisis we all face. Awareness, in my experience, has led to saturation of surface-level knowledge, without depth of repair or strengthening growth. Research is the foundation upon which change can happen. Whether it's a change to the law, a change to medical practice or other areas, without research to back it up, calls for change will be all too easily dismissed, as they have been in the past.

In the short time I've been with MQ so far, I've already learned so much more than just logins, colleagues' names and how to upload HR documents to the server. As someone hungry for knowledge and to translate this knowledge to others, this wealth of exploration excites me greatly. From hypermobility linking to mental illness to ADHD diagnostic criteria to calls for early intervention change and much more; every time I learn about a new research paper, a researcher's journey or a new call for legislation reform, I light up. Finally, after what feels like a



lifetime of frustration and lack of actual, sustainable change and positive action, I've found not only a new job and a new team. I've found optimism.

For me, the opposite of depression isn't happiness. The opposite of depression is purpose. My purpose is to inform, educate and entertain the widest possible audience and contribute to progress. MQ exists for this very purpose too.

My mental health experiences gave me passion for change. Comedy gave me a voice. MQ is now giving me hope for a better future.

Letter from the Chairman

The last year has brought a fresh set of new challenges to bear on the mental health of the nation and the world; but thanks to a passionate team of staff, generous donors, and supporters, I am delighted to report that MQ has funded and delivered more world-class research than ever before. It is this combination of scientific entrepreneurship and passion that drives our thinking and fuels our ambition to transform the landscape of mental health.

MQ has long been a champion of diversity within mental health science; from convening the sector and fostering collaborations between different disciplines; to championing researchers in low-and middle-income countries; to raising the voices of people with lived experience and ensuring research is coproduced. However, 2022 has been a particularly stand-out year. We have doubled the size of our Science Council, ensuring that the experts who set the course for our scientific focus are diverse not just in their area of expertise, but by geography, race and life-experience. You can read more about the Science Council and its newest members on page 10.

In May, we were proud to co-host the MQ Mental Health Research, McPin Foundation and NIHR Research Awards to recognise projects that actively involve patients, carers and service users. These awards help to encourage co-production in research and ensure that the voice of a broad range of lived experience is

taken into account when designing studies. The two projects recognised, the runners up EN-CAMHS and the winners NEON, are prime examples of when this is done well.

We have benefitted from the panoply of skills and talents of our corporate partner Deutsche Bank this year. The bank's LGBTQ+ group, DB Pride, raised over £30,000 during their 'Fundraiser on the Thames' and we enjoyed engaging with other networks across the bank including the neurodiversity network. Over 1,300 people from around the world took part in a hackathon, to build a mobile phone app that can deliver an intervention for anxiety, developed by MQ Researcher Professor Colette Hirsch.

This year's MQ Science Festival welcomed attendees from 37 countries around the world! Spanning five days, this multi-disciplinary event saw experts from Nigeria, Columbia, Malaysia and Pakistan join many, many others alongside host Professor Helen Fisher, to discuss the latest findings in mental health research and develop ideas for integrating our research into real public and policy change.

In total, through our research, partnerships and events, we have engaged with 7,718 volunteers and delegates from 41 countries in 2022.

We have grown our supporter base to the largest it has ever been, with a diversified income from trusts, foundations and more corporate partners than ever before, including our new partnership with The Lord Mayor's Appeal which begins in 2023. You can learn more about our journey of growth and sustainability on page 8.

As we move into MQ's tenth year, I'm very pleased to reflect on the wide variety of projects we have supported, the stakeholders we have engaged with, the careers we have boosted and the lives we have changed.

MQ Fellow, Dr Jessica Eccles, published her findings this year about the links between joint hypermobility and the emergence of anxiety and depression in adolescence, showing that there is a need for more targeted support for young people with hypermobility.

MQ's newest trustee and presenter of the MQ OpenMind podcast, Professor Rory O'Connor, published the results from his MQ funded study which show a telephone intervention trial was successful at reducing repeated suicide attempts.

A study into COVID-induced cognitive decline, or 'brain fog', led by Oxford University researcher, Dr Maxime Taquet, and funded by MQ and the Wolfson Foundation, found evidence of the cause of brain fog and a possible treatment option that requires further study. You can read more about this on page 14.

I am very proud of all that MQ has been able to achieve in 2022. And in this, our tenth anniversary year, I hope that 2023, and indeed the next ten years, will be even more successful.

Dr Shahzad Malik
Chair of MQ Mental
Health Research



The statistics

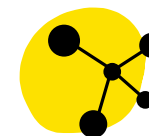
MQ's achievements in 2022



No of papers
published in 2022:
41



The MQ Science Festival
engaged 1,998 people from 37
countries, either live or on catch up



**We have developed a
network of 124 early career
researchers**
with an interest in data science



**We have been named
one of The Lord Mayor's
Appeal's charity partners**
for the next three years



£988,330
of research grants
delivered



**The projects we are
supporting have provided
38 new jobs**
in addition to the principal
researchers



\$1.87million
The **MQ Foundation in the USA**
raised \$1.87million in 2022



45 research grants have
been issued



**Through our partnership
with Deutsche Bank, we
raised over £1 million!**
The largest amount from a
corporate partner in MQ's history!



13%
We grew our **digital subscribers**,
across all platforms, by 13%



Pathway to sustainability

A decade is a long time! A decade ago, One Direction were still together, England were winning the Ashes and Barack Obama was being sworn in for his 2nd term. And yet, over the course of a decade, without consistent investment, energy and learning, we run the risk of seeing the opportunity for change pass us by.

A decade ago, a group of people passionate about Mental Health Research came together and, through a seed fund, generously set up by the Wellcome Trust, MQ made its first fledgling investment into mental health research.

Since then, MQ has invested in many ground-breaking research projects all around the world, helping to move the field of mental health science forward and bring the global research community together so that they can better collaborate.

These achievements in research have required boldness and courage to say that mental health research can be done in a better way, and that co-production with people experiencing mental illness should be at the heart of the design. It was thanks to the initial seed funding supplied by Wellcome to launch the charity that we were able to take these, bold establishing steps. But we always knew that this seed funding was not intended to be relied on forever, and that to become truly self-sustaining, we

would need to be able to grow our supporter base, build relationships with the public and private sectors and diversify our income streams to become a truly independent voice for the changes needed in mental health, and to back this up with the best research from around the world.

The best time to plant a tree...

We've known for a long time that mental health is a societal challenge on an epic scale; that services have been historically underfunded and stigma has held back many from being able to get the help they needed. In amongst this, fantastic charities have been established to augment and fight for better services, providing helplines, schools-based support and campaigns to change how we think and speak about mental health.

However, if we want to truly fix the challenge we face, we know that research is a key component to the solution, and while research in mental health has been underfunded for years compared to research in physical health, the best time to start investing is right now to see the future transformed.

We've spent a decade crafting and honing the proof points of this message, working with partners and the public to help people understand that scaling existing services is important today, but without research the future will never change.

We ran high profile public awareness campaigns like the 'We Swear' campaign which included celebrities and familiar faces; we spoke with the largest

It's a success but it's just the start of the next step of the journey!

foundations and donors to help educate them on the need for investment even if that meant not at MQ; and we worked with corporate partners to develop a clear understanding of their role in improving mental health.

It hasn't always been easy and there have been times when momentum has stalled and changes in society, in our own staff team and understanding of the future vision, all had to be accounted for in moulding this fledgling organisation. However, over that decade the goal was always the same – find the best mental health research and drive it forward to transform lives!

I'm pleased to say that at the end of this decade,

MQ has reached a new milestone. After tireless efforts from trustees, staff, leaders, donors and advocates, MQ has had its best ever fundraising year, commissioning more new research than ever before, and has done this without having to rely on the seed fund grant to achieve it.

A vision for the next decade

This first step, for many who started early in the journey, will feel like the moment a proud parent feels when they watch their child secure their first job, get into that university place they worked so hard for or make the first bold step of living in their own place!

It's a success but it's just the start of the next step of the journey! From here, MQ must redouble our efforts. This year, we want to look back and celebrate all we've achieved in a decade and use that as inspiration and learning for the next decade. A decade in which we want to see new breakthroughs in our understanding of mental health, new research commissioned across partners and disciplines, and ultimately see new ways to tackle the growing challenge of mental health globally.

Sustainability is setting the platform – now this sapling, planted a decade ago, that has borne its earliest fruit needs to blossom into a great and far-reaching tree that will have impact for generations to come. With the launch of the MQ Foundation in the USA, perhaps we can even envisage an orchard in the future, seeing mental health research supported, launched and delivering for people wherever their mental health challenges meet them!

Lea Milligan
CEO, MQ Mental Health Research



The MQ Science Council:

Global leadership in mental health science

In 2022, MQ appointed 10 new members to our Science Council, expanding it not just in size but also in skills and diversity.

The Council is made up of experts from across neuroscience, psychology, psychiatry and sociology, covering clinical and research expertise across all mental health disorders. These incredible global leaders donate their time for free, and their purpose is to plan, monitor and support the research that MQ funds. The science council is vital to ensure MQ's research is not only of the highest calibre but is also independently commissioned.



Professor Peter Jones MD, PHD, FMedSci
(Cambridge, England)
Chair of the Science Council
Professor of Psychiatry at the University of Cambridge



NEW Professor Jehannine Austin PhD, FCAHS, CGC
(Canada, British Columbia)
Professor in Psychiatry & Medical Genetics at the University of British Columbia.



NEW Professor Hilary Blumberg
(USA, Connecticut)
Professor of Psychiatric Neuroscience, Psychiatry, Radiology and Biomedical Imaging at Yale University



NEW Professor Kamaldeep Bhui CBE
(Oxford, England)
Professor of Psychiatry at the University of Oxford and Editor in Chief, British Journal of Psychiatry



Sir Philip Campbell PhD, DSc
(UK, England)
Editor-in-Chief, Springer Nature



NEW Professor Chan Lai Fong
(Malaysia)
Associate professor of psychiatry & consultant psychiatrist at the National University of Malaysia



NEW Dr Dixon Chibanda
(Zimbabwe)
Director of the African Mental Health Research Initiative (AMARI)



Professor Helen Fisher, PhD PGCAP
(London, England)
Professor of Developmental Psychopathology, Kings College London



NEW Professor Stephani Hatch PhD, SFHEA
(London, England)
Vice Dean for Culture, Diversity & Inclusion, Kings College London



Cynthia Joyce, MSc
(USA, New York)
Founding CEO of MQ



Professor Andrew M McIntosh MD, FRCPsych
(Edinburgh, Scotland)
Chair of Biological Psychiatry, University of Edinburgh



Dr Helen Munn OBE, PhD
(UK, England)
Chair of External Scientific Advisory Board, NIHR



Professor Rory O'Connor PhD
(Glasgow, Scotland)
Professor of Health Psychology, University of Glasgow



NEW Professor Henriette Raventós
(Costa Rica)
Professor of Human Genetics, Universidad de Costa Rica



NEW Professor Karoline Kuchenbaecker
(UK, England)
Professor of Genetic Epidemiology, UCL



NEW Dr Jessica Schleider
(USA, New York)
Assistant Professor of psychology, Stony Brook University



NEW Dr Daisy Singla
(Canada, Toronto)
Associate Professor, Department of Psychiatry, University of Toronto



Professor Carol Worthman, PhD
(USA, Atlanta)
Samuel Candler Dobbs Professor of Anthropology Emerita

Gone Too Soon

MQ's newest thematic programme

People with mental illness and mental distress die too soon; their lives are scandalously short. This is due to the tragedy of suicide as well as a disproportionately high rate of physical health problems with low detection.

In response to this, MQ has launched a new thematic focus. Gone Too Soon is a funding and collaboration programme with one key aim: Trying to understand and prevent early mortality in those with mental illnesses and mental distress.

The Roadmap

In February and March 2022, two expert meetings were led by Professors Carol Worthman, from the Department of Anthropology at Emory College of Arts and Sciences and Rory O'Connor, Director of the Suicide Research laboratory at Glasgow University and one of MQ's newest Trustees.

These meetings convened world-leading experts from many disciplines, including lived experience experts, to develop a roadmap for tackling premature deaths connected with mental illness and suicide. These meetings and subsequent report were held in partnership with the William Templeton Foundation for Young People's Mental Health.

This road mapping exercise identified and explored the key priority issues, priority actionable solutions, and barriers that needed to be addressed.

In total 70 key issues and 12 common factors that contribute to suicide and physical health problems were identified. These include:

- People with mental illness increasingly experience physical health problems including cancer, hypertension, cardiovascular disease and diabetes, to name a few, as well as health problems related to alcohol, tobacco, and substance use;
- Physical and mental illnesses are also linked to higher rates of suicide;
- Limited access to education, healthcare, housing and employment perpetuates stigma and social exclusion and increase risks of suicide as well as poor physical health;
- People with poor mental health do not receive the same level of care for their physical health problems as the general population;
- There is still compartmentalization of mental health vs physical health, with a lack of integration between the two when it comes to services.

18 possible solutions were laid out, including:

- Public health approaches that focus on prevention, including restricting access to lethal means of suicide, regulating tobacco, alcohol and media, promoting adequate nutrition, cash transfers and

better educating communities;

- Community based interventions and support for families and peers to reduce stigma and social isolation;
- Shift in the care approach towards integrated local health services; primary care services should have the capacity to treat mental and physical illnesses. This includes care providers training to improve screening and early intervention to reduce suicide, and to effectively treat physical illnesses for people with mental illness;
- Partnering in action across countries and professionals, clinicians, community leaders, researchers, policy makers and lived experience experts who need to work together to tackle the global multifaceted risks and mobilise action.

However, several barriers were also identified including common barriers between both mental illnesses and suicide:

- There is a lack of political will to create suitable policy, including lack of awareness of the issues by policy makers;
- Lack of funding for health, social and safeguarding services and general dis-investment in mental health including research; and
- Lack of interdisciplinary collaborations including social, biological, physiological and economic perspectives.

People with mental illness and mental distress pass away 10-20 years earlier than the general population

The Gone Too Soon project is only possible thanks to the generosity of our donors. Without their support, this vital research would not be possible and we would not be able to prevent the tragedy of lives lost too early due to mental illness.

The 2022 MQ Fellows (See the following page) were made possible through a number of partnerships including with the American Foundation for Suicide prevention, JDRF, Garfield Weston, The Rosetrees Trust and the US based MQ Foundation.



Dr Suhas Ganesh from the Central Institute of Psychiatry Ranchi, in Kanke, India. Suhas will examine genetic and environmental predictors of treatment-emergent metabolic abnormalities in schizophrenia.



Dr Gareth Griffith from the University of Bristol, who will be working to improve study designs and participation in research of volunteers, to better understand why people die by suicide.



Dr Moritz Herle from King's College London, who will be aiming to understand why people with eating disorders are at greater risk of suicide.



Dr Marisa Ellen Marraccini from the University of North Carolina, who will be building and testing a tailored virtual reality supplement to cognitive behavioural therapy to be provided during hospitalization after a suicide attempt.



Dr Leslie Carol Munoz Johnson from Emory University in Georgia, who will be adapting and testing an integrated care model for treatment of Type 1 diabetes and mental health co-morbidities.



Dr Massimiliano Orri from McGill University in Canada will investigate the premature mortality by suicide and other causes of children with comorbid physical and mental disorders.



Dr Amy Ronaldson, also from Kings College London. Amy will seek to understand why the risk of death from infectious disease is higher in those with severe mental illness than in those without.

2022 MQ Fellows

We are very proud to be announcing seven new Fellowships, as part of the **Gone Too Soon** programme. This is MQ's largest ever funding initiative, as we invest £2.2 million into these brand-new areas of research.

The MQ Fellowships are our flagship funding programme, supporting early career researchers in the most exciting and ground-breaking areas of mental health science. These Fellows went through a rigorous interview and vetting process. Their applications were reviewed by a diverse panel of global experts, including people with lived experience of mental illness.

Understanding COVID-induced brain fog

Understanding the true impact of the pandemic and COVID-19 infection on mental health has been a major part of MQ's research since 2020. This research approach has aligned perfectly with one of our core strategies of engaging people and fostering collaborative partnerships.

We have invested in and supported a number of projects that have brought experts together, from multiple disciplines and backgrounds, to try and fully understand the impact of the Covid-19 pandemic on mental health.

MQ has directly funded a study into anxiety and depression among children and young people since the first UK lockdown. We have partnered with the nationwide PHOSP-COVID study, examining the long-term outcomes on patients who have been hospitalised with COVID. And we have supported the COVID-CNS study which examines the neurological and neuropsychiatric impact of infection on the brain.

All these studies have involved bringing together and working with experts, institutions, patients and the public. However, in January of 2022 we were able to facilitate a new partnership, between a donor and researcher.

What is brain fog?

Brain fog, or cognitive decline, is the feeling that thinking and memory is 'foggy' rather than clear.

It can cause short term memory loss, reduced or slowed thinking and can inhibit decision making.

Cognitive decline does happen naturally as we age but is also a symptom of brain injury or some illnesses.

Most people who recover from COVID-19 infection will not have any lingering symptoms. However, around 12% of people infected still have persistent symptoms for months, and even years afterwards. This is known as Long COVID. These symptoms can range from fatigue, dizziness, heart palpitations, depression and anxiety, and for around 8% of people, cognitive impairment or 'brain fog'.

Brain fog is when someone's memory, ability to concentrate or thinking process is slowed or reduced. This can impact a person's ability to work, carry out everyday tasks and even care for themselves properly.

MQ has long worked with The Wolfson Foundation, an independent grant-making charity who specialise in education and research funding, so when they were looking for an opportunity to help researchers better understand the causes of Long-COVID and find solutions for those people impacted, they came to us.

Wolfson Chief Executive Paul Ramsbottom said "The long-term impact of COVID-19 infection is poorly understood. It is, however, sadly clear that the long-term health effects are profound - and being felt in societies across the globe. There is a danger that, as focus turns away from the pandemic, so less attention is paid to those continuing to suffer and the crucial ongoing need for research."

NIHR Oxford Health BRC Senior Research Fellow, Maxime Taquet, from the University of Oxford and Oxford Health NHS Foundation Trust, wanted to investigate COVID induced 'brain fog' to better understand its causes.

Thanks to a grant from Wolfson, MQ was able to fund Maxime's research which is already getting results.

Maxime and his team examined the long-term outcomes for over 1.25 million people who had been diagnosed with COVID-19. They found that there was an elevated risk of brain fog even two years after infection. Maxime then tested the hypothesis that the cause of this cognitive impairment might be to do with damage to small blood vessels in the brain, and has since found evidence to support this.

"These findings shed new light on the possible causes of brain fog and how it might be prevented in the future," says Maxime.

His study identified that people who take phenytoin (an anti-convulsant medication which is known to block a particular molecule via which SARS-CoV-2 is thought to affect the brain) were at a 22-27% lower risk of post-COVID brain fog.

"We are definitely not suggesting that people should start taking phenytoin if they have COVID." Says Maxime. "The goal of this study was to identify possible mechanisms, not possible treatments. The funding received by MQ and the Wolfson Foundation has been absolutely critical in delivering fast and detailed insights into the risk of brain fog after COVID-19 and its potential mechanisms. It has

facilitated collaborations across different departments within the University of Oxford as well as with other universities in the UK."

Thanks to the collaboration between Maxime, the Wolfson Foundation and MQ, we may be one step closer to finding an effective intervention for people living with brain fog all around the world.

"Wolfson has a longstanding interest in the research and treatment of neurological conditions as well as an admiration for the work of MQ," says Paul Ramsbottom. "We are very pleased to be supporting MQ and Maxime in this crucial work."



**Maxime Taquet,
University of Oxford**

Financial Review and Strategic Report

Summary

MQ Mental Health Research achieved its best financial returns since its inception, seeing more partners and donors contribute to our work than ever before. The highlights of 2022 included our largest investment into the Fellows programme to date, securing new long-term partners such as the Lord Mayor of London Appeal and seeing our research into brain fog gain global press coverage.

Income

Whilst the challenges due to the COVID-19 pandemic lessened throughout the year, there were new challenges to face in raising funds. The war in Ukraine, the cost of living and energy crisis in the UK as well as significant instability in the financial markets in the last year, all had tangible and measurable impacts on our results and ability to mobilise funds. Despite this, the mitigation strategies and responsive hard work of the staff, ambassadors and Board saw the fantastic financial results we are able to report:

Overall income for the year increased by 89% to £3.54m (2021: £1.87m). Philanthropic income increased by 252% to £3.25m (2021: £0.92m) representing 92% of income (2021: 49%); of which £0.61m is from the US-based MQ Foundation. Other generated income decreased by 10% to £0.27m (2021: £0.30m). There was no draw down of seed funding from Wellcome (2021: £0.63m) setting a watershed moment in the journey to sustainability in realising a break-even position without reliance on this fund.

Expenditure

MQ Mental Health Research spent a total of £2.20m (2021: £1.59m) in charitable grants and programmes to help understand, treat and prevent mental ill-health. The consolidation of the UK team has yielded efficiencies and will impact future growth positively whilst ensuring fundraising expenditure £0.53m (2021: £0.48m) is kept at a competitive and appropriate proportion of expenditure. Recognising the uncertainty of 2023 and the ambitious research goals for 2021-26, the Trustees have retained a portion of the income to be spent on increasing operational delivery over the next year and supporting the launch of new research grants.

Reserve Policy

The Trustees review the reserves policy annually. In recognition of global financial uncertainty, the Trustees feel the current policy is adequate. The policy requires MQ Mental Health Research to hold reserves (unrestricted funds) to cover a minimum of six month's expenses, based on the annual budget as agreed by the Board. This was set at £0.93m based on the 2023 budget excluding fixed assets.

As at 31 December 2022, the free reserves of the charity amounted to £0.96m. Restricted funds are not included in the reserves policy, as the Trustees have no discretion over how they are spent. If the Trustees choose to designate funds, these will not be included in the reserves policy, as they are held for a designated purpose. All grants' awards are retained in designated or restricted funds to ensure the continuity of funding to researchers and institutions.

Funds

At the end of 2022, total funds stood at £4.40m (2021 £3.58)

- Restricted funds amounted to £1.52 (2021 £0.83) and are subject to conditions imposed by donors or implied by the nature of an appeal;
- Designated funds of £1.92 (2021 £1.83) are held as awarded research grants;
- Unrestricted funds of £0.96 (2021 £0.92) comprise free reserves equivalent to 6 months based on 2023 budget.

Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year-end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, our budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditure. We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future. Furthermore, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern.

Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The risks which face the charity are detailed in its consolidated risk register, which the Directors keep under active review. Headline Risks in 2022 include:

1. Uncertainty of the ongoing financial and social impact of global events

Mitigation – The board review stress testing of banking arrangements and have a diversified portfolio of risk. Fundraising efforts are focused on a

range of segments and levels to reduce the potential impact of any sector-wide downturn.

2. Risk of losing key personnel

Mitigation – Existing HR processes include detailed job descriptions with clear roles and responsibilities which are defined in a matrix structure. In addition, a list of accounts and passwords is securely stored and once business travel resumes, insurance for key staff is already in place. Temp and recruitment agencies have already been sourced in case of an urgent need for staff.

3. Donor pyramid is heavily weighted on large partnerships

Mitigation – Monitor fundraising channels closely and assess regularly. Document all trials, programmes for success/fail factors. Expanded the fundraising team with a focus on continued new partnership and business development opportunities to diversify the portfolio of income.

4. Income is outstripped by expenditure jeopardising the sustainability of the organisation resulting in lack of growth or closure.

Mitigation – Focused fundraising plans have been executed; scenario and sensitivity budgets developed; regular cashflow forecasting is undertaken. With an increase in longer-term funding partnerships, the risk of unsustainable fundraising decreased in medium term, but ongoing mitigation through unrestricted income generation is required for sustainability in 2025 and beyond.

The Trustees believe that appropriate policies to mitigate lower-level day-to-day risks have been adopted. They also believe that key financial systems are in place and appropriate internal controls are maintained for an organisation of the charity's size and complexity. The overall financial and operational control environment is kept under regular review by the CEO and Director of Finance with regular reports provided to the Executive Team and Board.

Future Plans

MQ is in the second year of its 5 year strategy that set out 4 strategic pillars:

- Growing Talent
- Investing in Impact
- Challenging Inequality
- Engaging the Public

As we move into the second half of this strategy we are keen to continue to build on the platform we have created. We have set ambitious goals to continue to grow a cost effective fundraising plan that will allow us to deliver more research than ever before. Alongside the ongoing delivery of our existing grants portfolio participate platform the main activities scheduled for 2024 include:

- **Pre-Fellowship Programme** – a new grant round focused on building the pipeline of early career researchers further up stream from our current Fellows programme
- **Inequalities** – growth in our research focusing on mental health in low resource settings and how interventions and policy change can transform mental health
- **Public Involvement** – continuing to develop our expertise in lived experience involvement in research with new products and tools to support the sector
- **GALENOS** – a three year programme to launch a new platform of living systematic reviews to set the course of research in anxiety, depression and psychosis

Corporate Structure and Governance

MQ Mental Health Research, company number 07406055 and charity number 1139916 (England & Wales) and SC046075 (Scotland), is a charitable company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association dated the 19th of January 2011 and it was incorporated on the 13th of October 2010. The Memorandum and Articles of Association were revised on the 12th of March 2019. Under the conditions of the guarantee, members' liability is restricted to £1 each. The number of members in 2021 was 9 (2020 9).

MQ Mental Health Research is the owner of a registered trademark and, as such, through a license agreement, licenses The MQ Foundation, a 501c3 non-profit company registered in New York, USA.

Additional agreements define the operational and strategic links between the organisations, safeguarding the independence of both entities and their responsibilities for data protection, financial management, safeguarding and strategic operation.

New trustees receive an induction pack and a series of induction meetings with the Chair, CEO and executive team. The chair of the board is responsible of oversight of the development and training of the board and trustees are regularly updated with new resources from the Charity Commission, NCVO and AMRC by the Finance Director.

Dr Golam Khandaker conducted the first systematic review and meta-analysis that considered the peripheral blood cellular immunophenotype of depression.



MQ Mental Health Research's charitable objects

The Board has ongoing regard to the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans. MQ Mental Health Research continues to make a significant impact in funding and supporting ground-breaking research, convening experts through events and forums and supporting the publication of studies and reports. Regular monitoring and reporting of projects are carried out to ensure that MQ continues to deliver world-class research and is utilising funds in line with the wishes of donors in the UK, US and around the world.

Safeguarding

MQ's safeguarding arrangements are reviewed annually and the Trustees feel that policies in place represent a robust due diligence on those receiving grants, a strong framework to protect vulnerable donors and clear training and support for all staff engaging in frontline activities.



Dr Ethel Mpungu from Uganda published the long-term findings of her MQ funded study this year, which found her intervention for people living with depression and HIV was successful in reducing symptoms of depression.

Board and management roles

The MQ Mental Health Research Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is responsibly managed.

The Board's principal roles are:

- Approving the mission, strategies, policies and annual business plan;
- Appointing and overseeing the CEO;
- Monitoring performance and risk management;
- Reporting performance with integrity and transparency;
- Setting the vision and maintaining high standards of stewardship and values;
- Ensuring compliance with UK law and Charity Commission regulations;
- Managing its governance processes;
- Adding value by advising management;
- Representing the interests of MQ Mental Health Research's stakeholders.

The Board delegates responsibility for operational management to the CEO (the Principal Officer), who is responsible for developing the organisation's plans, policies and processes, following Board advice and approval. The Executive Team made up of the Heads of Finance; Research; Marketing, and Philanthropy & Partnerships, support the leadership of the organisation's strategic growth. Salaries of key personnel are benchmarked with external research and agreed by the Board of Trustees.

Trustees' responsibilities in relations to the financial statements

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of the information to Auditor

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

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

Remuneration policy

MQ's salaries are set within pay band structures at each grade, informed by external benchmarking, as necessary. The performance of key management personnel is monitored via regular one to one meetings with the CEO (and the CEO with the Chair), assessment against objectives and an annual appraisal process. Any salary awards for key management personnel must be approved by the board.

MQ Fellow Dr Petra Vertes found that there are differences in the way male and female brains develop during adolescence that may be relevant to the risk of depression.



Fundraising

MQ Mental Health Research complies with the Fundraising Standards Board Requirements and is registered with the Fundraising Regulator, only utilising agencies that are compliant with these standards. MQ does not solicit gifts by telephone or door to door acquisition methods, has received no complaints from any regulator and ensures that all donors receive only the communications they request.

Board composition

The Board comprises independent, unremunerated, non-executive directors (trustees) who have a broad range of skills and experience including from scientific, clinical, financial, legal and strategic backgrounds. Recognising the international collaboration of charities, MQ Mental Health Research provides observers in the form of the UK Chair and the UK CEO to the MQ Foundation Board and, in return, receives two members from the MQ Foundation Board as full MQ Mental Health Research Trustees. As the Board continues to strengthen and expand, the Trustees are committed to the highest standards and encouraging applications from a diverse range of individuals.

Trustee recruitment, induction and training are overseen by working groups of the Board.

Board expenses

No fees or remuneration are paid for serving as a MQ Mental Health Research Board member. MQ Mental Health Research reimburses reasonable expenses incurred in the course of acting as a director. This includes travel and accommodation expenses required to attend meetings, training and orientation costs. Every effort is made to ensure costs are at a minimum.

Board meetings

The Board meets four times a year, with additional meetings as required. The Board has one subcommittee and one advisory body respectively:

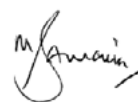
- Finance & Audit Committee – to independently review the audit results and report to the board;
- Mental health Science Council – a global inter-disciplinary group of world-leading researchers that advises on the scientific strategy and work of the charity.

These groups are established under formal terms of reference, which are reviewed annually. The groups include members with directly relevant experience. The Board does not delegate major decision-making powers to these groups and ratifies all recommendations.

Auditor

Moore Kingston Smith LLP were appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees annual report has been approved by the trustees on the 11th of April 2023 and signed on their behalf by:



Shahzad Malik
Chairman



Helen Munn
Trustee

Independent Auditor's Report to the Members of MQ Transforming Mental Health

Opinion

We have audited the financial statements of MQ Transforming Mental Health ('the company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)

Date: 24 April 2023

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
9 Appold Street, London, EC2A 2AP.

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Income from:					
Donations and legacies	2	1,855,477	1,665,214	3,520,691	1,849,024
Charitable activities	3	–	–	–	12,181
Investments	4	21,831	–	21,831	11,455
Total income		1,877,308	1,665,214	3,542,522	1,872,660
Expenditure on:					
Raising funds	5	530,616	–	530,616	475,016
Charitable activities					
Scientific research	5	648,788	899,673	1,548,461	1,027,078
Awareness raising and Advocacy	5	573,712	73,098	646,810	565,107
Total expenditure		1,753,116	972,771	2,725,887	2,067,201
Net income for the year and net movement in funds	7	124,192	692,443	816,635	(194,541)
Reconciliation of funds:					
Total funds brought forward		2,749,422	830,960	3,580,382	3,774,923
Total funds carried forward		2,873,614	1,523,403	4,397,017	3,580,382

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.

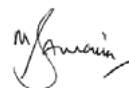
Balance sheet

As at 31 December 2022

Company no. 07406055

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	12		14,829		10,456
			14,829		10,456
Current assets:					
Debtors	13	199,823		375,903	
Cash at bank and in hand	18	4,448,376		3,410,113	
		4,648,199		3,786,016	
Liabilities:					
Creditors: amounts falling due within one year	14	(266,011)		(216,090)	
Net current assets			4,382,188		3,569,926
Total net assets	15		4,397,017		3,580,382
The funds of the charity:					
Restricted funds	16	1,523,403		830,960	
Unrestricted funds (including designated funds)					
Designated funds	16	1,917,665		1,833,003	
General funds	16	955,949		916,419	
Total funds			4,397,017		3,580,382
Total charity funds			4,397,017		3,580,382

Approved by the trustees on 11 April 2023 and signed on their behalf by **Shahzad Malik, Chairman**



Helen Munn, Trustee



Statement of cash flows

For the year ended 31 December 2022

	Note	£	2022 £	£	2021 £
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	17		1,027,117		(408,378)
Cash flows from investing activities:					
Purchase of fixed assets		(11,595)		(10,704)	
Loss on Fixed asset disposal		910		—	
Interest received		21,831		11,455	
Net cash provided by / (used in) investing activities			11,146		751
Change in cash and cash equivalents in the year			1,038,263		(407,627)
Cash and cash equivalents at the beginning of the year			3,410,113		3,817,740
Cash and cash equivalents and net debt at the end of the year	18		4,448,376		3,410,113

Notes to the financial statements

For the year ended 31 December 2022

1 Accounting policies

a) 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (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 or note. The financial statements are prepared in sterling which is the functional currency of the charity, and rounded to the nearest £.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern for at least 12 months from the date of signing these financial statements. The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern, including the impact of the COVID-19 outbreak. The trustees have approved operational plans and expenditures based on income level and are confident of operating the charity within the parameters of our reserves policy. Also, the trustees review the annual budget during mid-year reforecast and reassess the reserve position. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

1 Accounting policies (continued)

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grants to mental health research organisations, advocacy activities and other educational and awareness raising activities undertaken to further the purposes of the charity and their associated support costs

- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when MQ upon annual review approve the milestones in the grant agreement are met. Contingent grant liabilities are disclosed when the charity has indicated a willingness to fund a project but the grant milestones have not yet been met (note 20).

When the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable, the total grant commitment is set aside in a designated fund (note 20).

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|----------------------------------|-----|
| • Scientific research | 40% |
| • Awareness raising and Advocacy | 25% |
| • Cost of raising funds | 35% |

1 Accounting policies (continued)

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Leasehold Property 5 years
- Office Equipment 3 years
- Fixtures and Fittings 5 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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 method.

q) Estimates and Uncertainties

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments (see 1(i)).

The trustees do not consider that there are any sources of estimation uncertainty (other than grant commitments Note 20) at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

r) Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

2 Income from donations and legacies

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Unrestricted £	2021 Restricted £	2021 Total £
Gifts						
Individual Giving	198,577	2,498	201,075	196,262	2,890	199,152
Wellcome Trust*	–	42,889	42,889	630,412	56,880	687,292
Philanthropy and Partnerships	1,656,900	1,597,093	3,253,993	515,189	408,266	923,455
Co-Funding	–	22,734	22,734	–	37,125	37,125
Legacies	–	–	–	2,000	–	2,000
	1,855,477	1,665,214	3,520,691	1,343,863	505,161	1,849,024

*Under the Wellcome Trust's Grant Letter of 16th January 2012, at the balance sheet date, the charity had drawn down £21m. The company can in due course (and subject to compliance with the requirements set out in the grant letter) drawdown in aggregate, a further £1.9m (2020: £2.4m).

3 Income from charitable activities

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Unrestricted £	2021 Restricted £	2021 Total £
Contributions towards scientific meetings	–	–	–	12,181	–	12,181

4 Income from investments

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Unrestricted £	2021 Restricted £	2021 Total £
Bank interest received	21,831	–	21,831	11,455	–	11,455
	21,831	–	21,831	11,455	–	11,455

5 Analysis of expenditure

	Cost of raising funds	Charitable activities		Governance costs £	Support costs £	2022 Total £
		Scientific research £	Awareness raising and Advocacy £			
Staff costs (Note 8)	178,799	300,068	225,595	24,210	121,050	849,722
Grant-making (Note 6)	–	988,330	–	–	–	988,330
Other direct costs	198,781	102,228	326,977	6,119	22,468	656,573
Office costs	348	–	223	214	165,201	165,986
Audit	–	–	–	22,934	–	22,934
Bank charges	25	620	35	29	1,245	1,954
Foreign exchange (gains) and losses	–	–	–	–	(23,779)	(23,779)
Meetings	21,320	7,109	163	10,250	12,609	51,451
Legal fees	–	–	–	12,270	446	12,716
	399,273	1,398,355	552,993	76,026	299,240	2,725,887
Support costs	104,734	119,696	74,810	–	(299,240)	–
Governance costs	26,609	30,410	19,007	(76,026)	–	–
Total expenditure 2022	530,616	1,548,461	646,810	–	–	2,725,887

Of the total expenditure, £1,928,514 was unrestricted (2021: £1,928,514) and £138,687 was restricted (2021: £138,687).

5 Analysis of expenditure (continued)

		Charitable activities				
	Cost of raising funds	Scientific research £	Awareness raising and Advocacy £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 8)	142,547	259,532	178,024	21,156	105,782	707,041
Grant-making (Note 6)	–	547,766	–	–	–	547,766
Other direct costs	216,076	66,426	305,344	134	21,592	609,572
Office costs	170	31	6	–	150,033	150,240
Audit	–	–	–	16,770	–	16,770
Bank charges	51	34	85	3	1,106	1,279
Foreign exchange (gains) and losses	–	–	–	–	(1,796)	(1,796)
Meetings	1,865	22,652	–	6,275	5,087	35,879
Legal fees	–	–	–	450	–	450
	360,709	896,441	483,459	44,788	281,804	2,067,201
Support costs	98,631	112,722	70,451	–	(281,804)	–
Governance costs	15,676	17,915	11,197	(44,788)	–	–
Total expenditure 2021	475,016	1,027,078	565,107	–	–	2,067,201

6 Grant making (Grants to institutions)

	2022 £	2021 £
Cost		
Fellows Programme	275,692	178,502
PsyIMPACT	–	44,793
Data Science	–	41,908
Brighter Futures	370,638	282,563
At the end of the year	646,330	547,766

6 Grant making (Grants to institutions) (continued)

The Fellows programme supports the brightest and best early career scientists who are asking challenging questions that will contribute to transformative advances in mental health.

The PsylMPACT programme supports innovative research to develop and test psychological treatments, getting people the right treatments faster.

The Data Science programme awards grants to help realise the huge potential in the near term to harness data science to drive forward research.

The aims of MQ's Brighter Futures programme stem from the fundamental belief that research can change the trajectory of mental illness in young people, tackling the life-long impacts of many conditions and working towards a world where mental illness may one day be made preventable.

7 Net income for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation	6,311	3,648
Property lease rentals	114,000	—
Auditors' remuneration (excluding VAT)	19,112	—
Foreign exchange (gains)/ losses	(23,779)	(1,796)

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	736,358	617,367
Social security costs	79,358	61,876
Employer's contribution to defined contribution pension schemes	34,006	27,798
	849,722	707,041

There is no redundancies in 2022 (2021: £15,000).

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	1	1
£100,000 – £109,999	–	–
£110,000 – £119,999	1	1

The pension contributions paid to higher employees amounted to £12,469 (2021: £8,310).

The total employee benefits (including employers' NI and pension contributions) of the key management personnel (CEO, Director of Finance, Head of Philanthropy & Partnerships and Head of Marketing) were £363,221 (2021: £391,256).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £10,533 (2021: £6,862) incurred by 10 (2021: 9) members relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Raising funds	5	3
Scientific research (Including one Part time staff)	3	4
Awareness raising and advocacy	5	3
Support (Including one Part time staff)	3	4
Governance	–	–
	16	14

10 Related party transactions

Aggregate donations from trustees were £25,360 (2021: £147,066).

MQ works closely with The MQ Foundation, a US-based s501c3 public charity founded in 2018, whose mission and priorities are closely aligned with those of MQ. MQ has licensed the MQ brand to the MQ Foundation to foster synergy and efficiency between the two organisations. The MQ Foundation board remains an independent body with discretion on how to allocate funds toward its mission. Two of the MQ Foundation board members John A Herrmann and Michael J Horvitz sit on the Board of MQ. However, neither charity exerts control over the other. In 2022 MQ Foundation provided grants totalling \$625,000 to MQ.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At the start of the year	2,761	65,420	68,181
Additions in year	–	11,595	11,595
Disposals in year	–	(31,656)	(31,656)
At the end of the year	2,761	45,359	48,120
Depreciation			
At the start of the year	2,517	55,208	57,725
Charge for the year	193	6,118	6,311
Eliminated on disposal	–	(30,746)	(30,746)
At the end of the year	2,710	30,580	33,290
Net book value			
At the end of the year	51	14,778	14,829
At the start of the year	244	10,212	10,456

13 Debtors

	2022 £	2021 £
Trade debtors	–	–
Other debtors	57,016	57,000
Accrued Income	81,864	255,767
Prepayments	60,943	63,136
	199,823	375,903

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	8,951	7,020
Other creditors	5,154	2,964
Deferred Income	150,000	160,000
Grant Accruals	82,724	31,946
Other Accruals	19,182	14,160
	266,011	216,090

15 Analysis of net assets between funds

a) At 31 December 2022	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	14,829	14,829
Current assets	1,523,403	3,124,796	4,648,199
Current liabilities	–	(266,011)	(266,011)
Net assets at the end of the year	1,523,403	2,873,614	4,397,017

b) At 31 December 2021	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	10,456	10,456
Current assets	830,960	2,955,056	3,786,016
Current liabilities	–	(216,090)	(216,090)
Net assets at the end of the year	830,960	2,749,422	3,580,382

16 Movements in funds

a) Year ended 31 December 2022	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures IDEA	266,480	124,789	(93,940)	–	297,329
Fellows	548,882	874,134	(254,704)	–	1,168,312
Research Activities	–	608,791	(551,029)	–	57,762
ENIGMA Book	15,598	57,500	(73,098)	–	–
Total restricted funds	830,960	1,665,214	(972,771)	–	1,523,403
Unrestricted funds:					
Designated funds:					
Grant commitments	1,833,003		(694,453)	779,115	1,917,665
Total designated funds	1,833,003	–	(694,453)	779,115	1,917,665
General funds	916,419	1,877,308	(1,058,663)	(779,115)	955,949
Total unrestricted funds	2,749,422	1,877,308	(1,753,116)	–	2,873,614
Total funds	3,580,382	3,542,522	(2,725,887)	–	4,397,017

16 Movements in funds (continued)

a) Year ended 31 December 2021	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures ADP	–	240	(240)	–	–
Brighter Futures Hopes	1,000	–	(1,000)	–	–
Brighter Futures IDEA	0	266,480	–	–	266,480
Fellows	359,098	151,561	(66,165)	104,388	548,882
Mental Health Science Meeting		56,880	(56,880)	–	–
Howell Jadwiga Fund	104,388			(104,388)	–
ENIGMA Book	–	30,000	(14,402)	–	15,598
Total restricted funds	464,486	505,161	(138,687)	–	830,960
Unrestricted funds:					
Designated funds:					
Grant commitments	2,082,127	–	(549,086)	299,962	1,833,003
Total designated funds	2,082,127	–	(549,086)	299,962	1,833,003
General funds	1,228,310	1,367,499	(1,379,428)	(299,962)	916,419
Total unrestricted funds	3,310,437	1,367,499	(1,928,514)	–	2,749,422
Total funds	3,774,923	1,872,660	(2,067,201)	–	3,580,382

16 Movements in funds (continued)

Purposes of restricted funds

Brighter Futures IDEA	This fund contributes money toward the IDEA of the Brighter Futures project
Brighter Futures ADP	This fund contributes money toward the Adolescent Data Platform workstream of the Brighter Futures project
Brighter Futures HOPES	This fund contributes money toward the HOPES workstream of the Brighter Futures project
Data Science	This fund is used to help fund our data science programme
Fellows	This fund helps to pay for new and existing MQ Fellows
PsyImpact	This fund helps to pay for our PsyImpact programme
Mental Health Science Meeting	It is an annual event which bring together scientists, mental health stakeholders and policy-makers from across the UK and beyond.
Research Activities	This is combined of research activities which is delivered by research team.
Howell Jadwiga Fund	This fund helps to pay for our Borderline Personality Disorder project which has been awarded in 2020. Therefore the funds has been transferred to Fellows fund.
ENIGMA Book	Co-produced with our corporate partner Enigma Holdings the Enigma book uses the personal stories of celebrities and other people with loved experience to explain different mental health conditions and the latest research around them.

Purposes of designated funds

Grant commitments represent amounts awarded in relation to our Fellows, Data Science, Bright Futures and PsyIMPACT programmes payable in future years but where there is uncertainty of the timing of the grant payment as it is dependent on milestones being achieved.

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	816,635	(194,541)
Depreciation charges	6,311	3,648
Interest Received	(21,831)	(11,455)
Decrease/(increase) in debtors	176,080	(208,967)
(Decrease) / Increase in creditors	49,922	2,937
Net cash provided by / (used in) operating activities	1,027,117	(408,378)

18 Analysis of cash and cash equivalents and changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	3,410,113	1,038,263	4,448,376
Overdraft, Loan and Finance Lease	—	—	—
Total cash and cash equivalents	3,410,113	1,038,263	4,448,376

19a Commitments

The charity's total future minimum lease payments under non-cancellable leases is as follows for each of the following periods

	Land & Buildings 2022 £	Other 2022 £	Land & Buildings 2021 £	Other 2021 £
Within one year	136,800	698	78,000	377
Two to five years	159,600	407	202,800	–
Over five years	–	–	–	–
Total	296,400	1,105	280,800	377

19b Operating Lease Income

Future payments receivable under these non-cancellable operating leases for each of the following periods following the balance sheet date are:

	2022 £	2021 £
Within one year	50,160	50,160
Two to five years	4,560	4,560
Total	54,720	54,720

20 Grant commitments

At 31 December 2022, the charity has committed to future expenditure amounting to £1,833,003 (2021 – £1,833,003) in relation to its Fellows, Data Science, Brighter Futures and PsyIMPACT programmes. The movements on these commitments are as below.

	2022 £	2021 £
Balance at the start of the year	1,833,003	2,082,127
New grants committed to	779,115	299,962
Exchange Rate differences/(write back)	(48,123)	(1,320)
Expended in the year	(646,330)	(547,766)
Balance at the end of the year	1,917,665	1,833,003
These commitments are expected to be payable as follows		
In one year	868,670	886,965
In two to five years	1,048,995	946,038
Total	1,917,665	1,833,003

The grant commitments are not fully recognised in the year they are committed, as they are subject to annual progress review before further instalments are released. The amounts accounted for in the year are those MQ deem the milestones in the grant agreement have been met.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Statement of financial activities (incorporating an income and expenditure account)

	Note	Unrestricted £	Restricted £	2021 Total £
Income from:				
Donations and legacies	2	1,343,863	505,161	1,849,024
Charitable activities	3	12,181	–	12,181
Investments	4	11,455	–	11,455
		–	–	–
Total income		1,367,499	505,161	1,872,660
Expenditure on:				
Raising funds	5	475,016	–	475,016
Charitable activities				
Scientific research	5	888,391	138,687	1,027,078
Awareness raising and Advocacy	5	565,107	–	565,107
Total expenditure		1,928,514	138,687	2,067,201
Net income for the year and net movement in funds	7	(561,015)	366,474	(194,541)
Reconciliation of funds:				
Total funds brought forward		3,310,437	464,486	3,774,923
Total funds carried forward		2,749,422	830,960	3,580,382

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.



Mental
health
research



Registered charity in England / Wales: 1139916 & Scotland: SC046075 Company number: 7406055

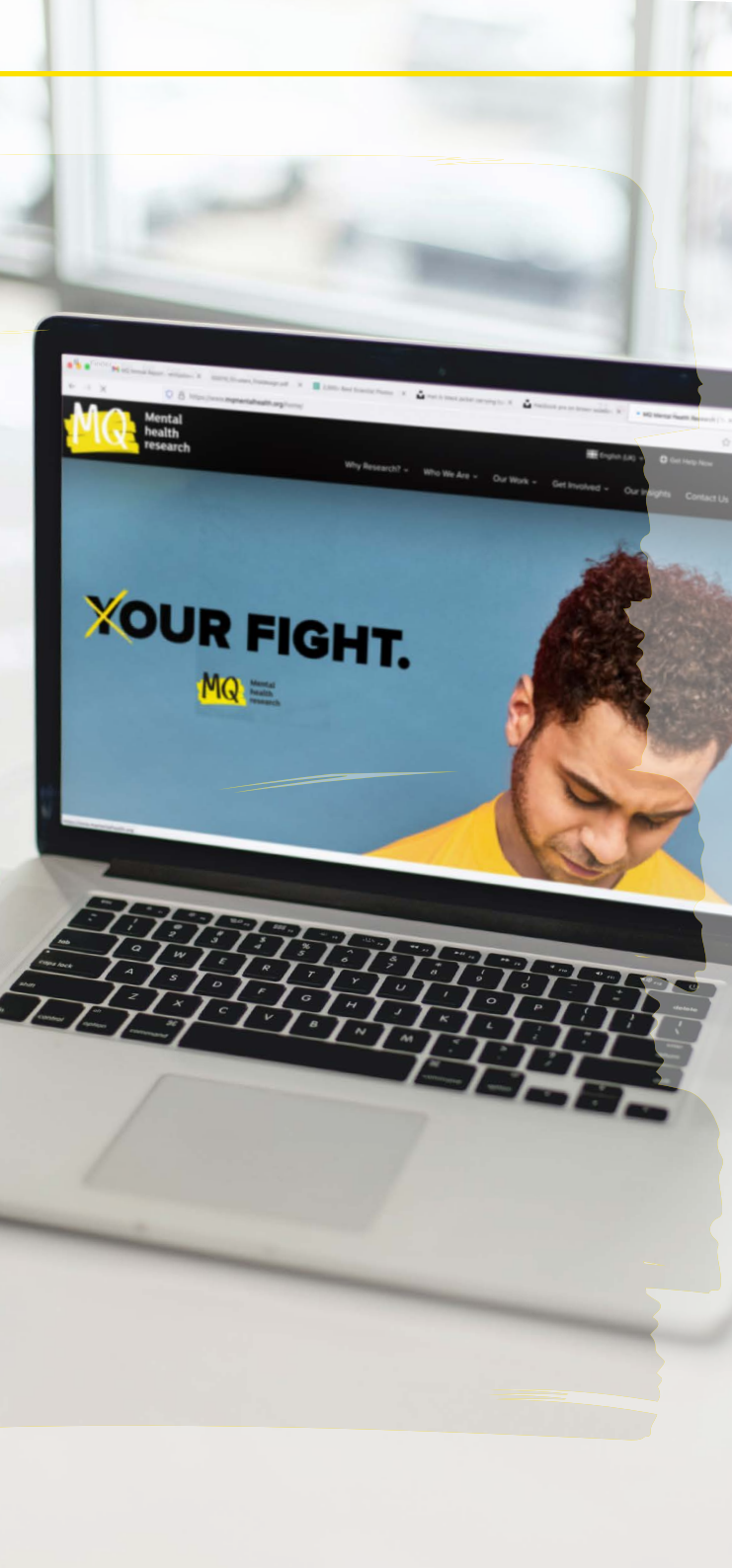
Accounts



Transforming
mental
health

2021 **ANNUAL REPORT**

Trustees report and financial statements for the year
ended 31 December 2021



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Company number

07406055

Charity number

1139916

SC046075

Registered office

Suite B, 6 Honduras Street
London
EC1Y 0TH

Country of registration

England & Wales

Country of incorporation

United Kingdom

Bankers

Santander	Lloyds Bank
Bootle	74-78 Church Road
Merseyside	Hove
L30 4GB	BN3 2EE

Solicitors

Devonshires	Womble Bond Dickinson
30 Finsbury Circus	4 More London Riverside
London	London
EC2M 7DT	SE1 2AU

Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Trustees

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

Dr Shahzad Malik (Chair)
Mr John A Herrmann
Professor Emily Holmes
Mr Michael J Horvitz
Professor Peter Jones
Ms Helen Munn OBE
Mr Chris Parsons
Professor Irene Tracey CBE
Ms Sarah Woolnough

Key management

Mr Lea Milligan – CEO
Mr Jey Balakrishnar – Director of Finance & Operations
Ms Emily Wheeler – Head of Philanthropy & Partnerships
Ms Bryony Doughty – Head of Marketing

Mental Health Sciences Council

Professor Peter B. Jones MD PhD FMedSci, Professor of Psychiatry, University of Cambridge, Director, NIHR Applied Research Collaboration, East of England, Hon consultant psychiatrist & non-executive director, CPFT

Cynthia Joyce MSc

Dr Helen L. Munn OBE, Interim Chair, UKRI Research Integrity Committee

Professor Irene Tracey CBE MA (Oxon), DPhil., FRCA, FMedSci, MAE, Professor of Anaesthetic Neuroscience; Pro-vice Chancellor and Warden of Merton College, University of Oxford

Sir Philip Campbell PhD DSc, Editor-in-Chief, Springer Nature, Editor Emeritus

Dr Helen L. Fisher PhD PGCAP AFBPsS CPsychol FHEA, Reader in Developmental Psychopathology and Chartered Research Psychologist, King's College London

Professor Andrew M. McIntosh MD FRCPsych, Head of Division of Psychiatry, University of Edinburgh

Professor Rory O'Connor PhD, Professor of Health Psychology, University of Glasgow

Professor Carol M. Worthman PhD, Samuel Candler Dobbs Professor of Anthropology Emerita, Emory University



MQ: Introduction

James Downs, MQ Ambassador

James has been an Ambassador with MQ since 2015. His work across mental health research, policy and practice uses lived experiences of himself and others to bridge the gaps that exist in the ways we understand and respond to mental health. James has extensive and ongoing experience of mental illness. He supports MQ because he believes that however much mental illness limits life, it is research that will have a central role in changing this for the future.

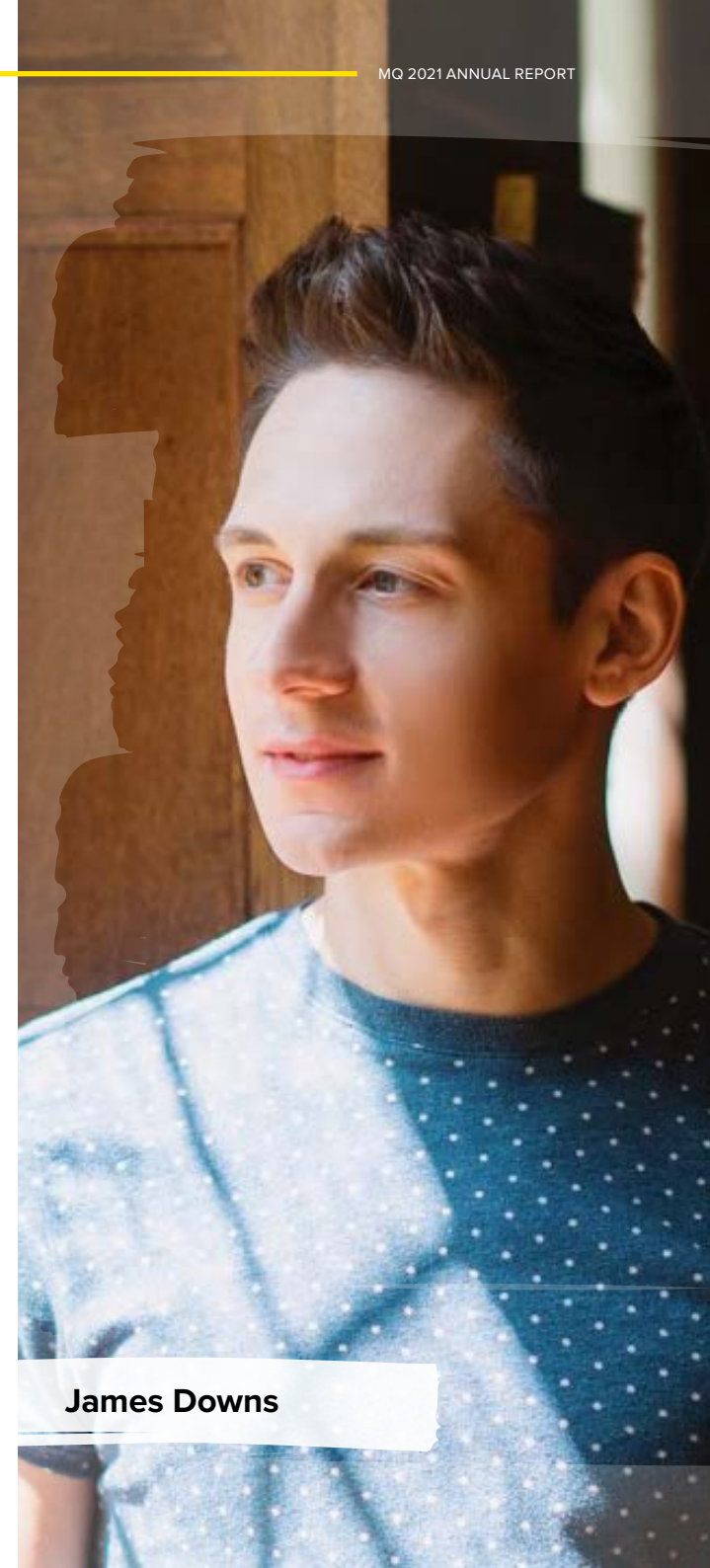
Mental health doesn't exist in a vacuum. The COVID-19 pandemic has shed light on how mental health is entangled with wider contextual factors and is not the business of one group of people alone. Likewise, transforming the landscape of mental health research requires a coordinated effort. This Annual Report shows this only too clearly, featuring some of the exceptional work MQ has undertaken in 2021, which demonstrates the power of collaboration in creating the change we need to see.

MQ's success has been built on creating alliances rooted in shared priorities with research-led institutions and policymakers to leaders in business and the workplace. By bringing together those who may otherwise address the challenges of mental

health in isolation, we can build a more inclusive and relevant understanding of mental health. Through collaborative dialogue, we can set an agenda for research which incorporates the voices of all stakeholders, not just those who are able to shout the loudest.

Nowhere is this more important than when considering the role of lived experience in mental health research. As an Ambassador for MQ, I am consistently impressed with the number of activities I am asked to get involved with and, vitally, the support that is available to help me take part. I've been able to meet with other Ambassadors whose diverse backgrounds, experiences and skills are represented across a wide range of projects with MQ. The idea that MQ would run an event or conduct a piece of work without the involvement of those with lived experience is unimaginable to me. Valuing lived experience is embedded at every level of the charity and is a hallmark of the organisational culture.

This is so important during a time when we are seeing a professionalisation of lived experience and a growing value being placed on coproduction. And yet there is still a long way to go in standardising lived experience roles and coming to an agreement on the nature of the expertise that comes from experience, and how this can be applied in research and clinical practice. We need to develop clarity over the kinds of experiences, knowledge and skills that are needed to



James Downs

make a tangible difference to outcomes, and to make sure that people with lived experience are always supported to participate and never harmed by doing so. Defining the role of coproduction itself is not something for the academy or policymakers, either. What constitutes meaningful involvement for one person may look or aim to achieve something very different for another.

Too often, coproduction looks too much like providing pre-determined opportunities to share palatable examples of lived experience from those with acceptable voices that are able to speak the language of researchers. This has to change - we cannot just co-opt people with lived experience into research on the terms of researchers. We need to

make sure experts by experience are part of setting the agenda, formulating the questions, collecting the data, evaluating and disseminating the outcomes.

In order to do this well, we need to not only actively facilitate a diverse range of people with lived experience to take part. We need to be honest that the current evidence-base in mental health research has excluded, and therefore does not reflect, the needs of large groups of people. We need to shed possessiveness over the spaces in which knowledge is created, or to change those spaces altogether. We need to actively challenge the power differentials which have, for too long, overshadowed both research and clinical practice. It's simply not enough to say that the knowledge gained by experience is of value, and then maintain a rigid hierarchy around whose voice is really considered "expert" in determining what is true about mental health and illness.

In my own experience with MQ this year, being involved with the launch of the Gone Too Soon thematic focus and the Mental Health Science Summit, I have seen that it is often lived experience itself that is the catalyst for collaboration. Taking part in these projects, I haven't just been invited to take a seat at a table that's already been set, where all that's really needed from me is my agreement or empathic support. Instead, I've felt welcomed and supported to bring my own ideas to the table, on my own terms. Alongside those from different backgrounds and professions, I have experienced a sense of mutual



value, where all contributions are of worth, and where we all have a stake in deciding what we even want this table to do in the first place.

Alongside all supporters of MQ, I have great hopes for 2022 and beyond. The reflections I've made here struggle to capture the magnitude of the ambitions I feel we should have for mental health research, and rightly so. At heart, however, mental health research must first and foremost be about creating better mental health, not just documenting decline. And this must be mental health for all, where collaboration outshines competition, and where nobody is left behind.

Whilst this may require unprecedented change in what we do and how we do it, unprecedented times are the new normal. Now is the time for us to make unprecedented progress in mental health research, together.

Alongside all supporters of MQ, I have great hopes for 2022 and beyond.

Through research, we have found hope in 2021

As the pandemic challenges we all faced in 2020 rolled over into 2021, many were uncertain of what the future might hold. We started the year back in lockdown and with the Delta variant running rampant. The vaccine roll out was only just beginning and events were being cancelled for the second time.

However despite the challenges faced by MQ, our team were able to rise to the occasion and we have seen some incredible developments from our talented researchers.

This year we invested over £900,000 into growing talent in mental health research, as we announced three new MQ Fellows. Dr Mark Taylor is investigating the causes of mental ill-health in young people with autism. Dr Katherine Young is investigating the impact of the pandemic on young people, with a specific view to identifying better ways of dealing with stressful life events, and Dr Ruchika Gajwani is testing a new intervention for young people with Borderline Personality Disorder. Whilst each new Fellow has a unique area of focus, all three projects are investing in young people's mental health, helping to provide a brighter future for young people post-pandemic.

In October 2021, we were very pleased to enter the next stage of the IDEA FLAME project by committing

a further £300,000 of investment to examine the specific role of inflammation in depression in young people. The IDEA project has already had an incredible breakthrough with the development of a tool that can be used to predict which young people are at risk of developing depression. So, we are excited to see what this next phase of the project will bring in our understanding of the links between depression and inflammation.

In May, we hosted the MQ Mental Health Science Summit, a virtual event that saw researchers, academics, practitioners and people with lived experience from all around the world come together for a two-day event to share and discuss developments in mental health science. Engaging people from across the science community is an important part of MQ's strategic framework. By breaking down silos and growing talent within the research community, we can expand the capability and quality of research.

Investing in impact is another priority for MQ and this is best demonstrated by a study that hit the headlines this year. Dr Jennifer Wild's trial of a new intervention for healthcare workers with PTSD has had some incredible results with a recovery rate of over 90% for the participants who took part in the programme. You can read more about this on page 8.

2021 has been a year of growth for MQ and as such, whilst we continue to support this important research, we are also looking ahead to our next thematic focus. In 2022 we are launching our Gone Too Soon Fellows programme. This programme will be investing in research into the scandal of lives being cut short by serious mental illness and death by suicide. Led by Professor Rory O'Connor of the Suicide Research Laboratory at Glasgow University And Carol Worthman, Professor of Anthropology Emerita at Emory University, we plan to award £1.2 million into this important area over the next year.

Funding like this would not be possible without the generosity of you, our supporters. Thank you to each and every one of you who donated, fundraised and worked so hard to help us invest in the vital research that gives us hope for a future where mental illnesses are fully understood, effectively treated, and perhaps even prevented.

Dr Shahzad Malik – Chair
Lea Milligan – CEO



MQ's achievements in 2021

£1.2m

commissioned into new research projects.



We are supporting

44 live studies
across 6 continents



MQ funded researchers published a combined total of

17 papers
including pre-prints



We convened over **300 experts** from 17 countries for the ground-breaking MQ Science Summit. This included 84 bursaries for early career researchers and attendees from low- and middle-income countries.



We appointed our first Executive Director of the MQ Foundation in the United States of America. Ann Richman is MQF's first full-time staff member.

Deutsche Bank 

We were named **Deutsche Bank's** UK Charity of the Year 2022-2023. Through this partnership, we aim to raise £2m over the next two years to invest in even more research.



4590 people

volunteered to take part in research in over 109 new studies promoted through our Participate programme.



2412 people wrote to their MP to demand more funding for mental health research through our Mobilize initiative.



45%

We increased the **number of first-time donors** to MQ's work by 45% from 2020.



Who helps the helpers?

A new intervention for PTSD in healthcare workers

First responders and frontline healthcare workers dedicate their lives to helping others, yet they suffer higher rates of mental ill health compared to the general public. In fact, people who work in the emergency services and healthcare are three times more likely to have Post Traumatic Stress Disorder (PTSD) or depression.

Attending serious accidents and incidents, facing abuse and assault, and of course dealing with loss every day can take its toll and means that the people society relies on the most to deliver our healthcare are left vulnerable to potentially life changing mental health conditions.

Not only is this devastating on a personal level, but staff absences and high turnover is also very costly to the NHS and society at large.

In 2017 researcher Dr Jennifer Wild from the Department of Experimental Psychology at Oxford University began a study that would improve interventions for healthcare and emergency workers for the symptoms of PTSD, and potentially reduce the overall risk to workers of becoming ill in the future.

After starting the study by working with paramedics, early results were looking promising. However, when the COVID pandemic struck the study was impacted as many of the paramedics had to be re-deployed and the study lab was forced to close during the lockdowns.

Undeterred, Jennifer and her team expanded their focus from paramedics to all frontline healthcare workers.

The initial study of paramedics involved putting recruits through an online questionnaire and telephone assessment and then into one of three treatment programmes which were compared to one another: a new online cognitive training program called PICTR (precision internet-delivered cognitive training in resilience) an alternative training program and standard practice.

Following the success of this work Jennifer and her team developed the SHAPE Recovery programme, which builds on this training, and is delivered by a wellbeing coach over the phone meaning it is easily accessible for busy staff. By teaching evidence-based tools that worked to prevent PTSD in paramedics, the programme is showing success in significantly reducing rates of PTSD and depression in healthcare staff.

“We applied our tools for prevention to treatment and have achieved a reliable recovery rate of over 90%.” Says Jennifer. “Staff who come into the programme with post-traumatic stress are recovering with six weeks of our wellbeing coaching.

“They’re learning very active evidence-based tools to help break the link between triggers and past trauma, and tools that we have developed that are effective for improving mood.”

Ollie, a paramedic from the London Ambulance Service (LAS) took part in the SHAPE recovery programme following a traumatic incident in 2019.

“LAS were really good about it and told me to take off as much time as I needed. But I found that I was just sitting at home dwelling on what happened and feeling really negative and self-critical. I was putting a lot of pressure on myself and really felt like I was beginning to spiral.

My employer tried to get me some support, but it was delivered in short telephone calls where we only had limited time to talk and often had connection problems where we couldn’t even hear each other! This really led to some dark times. My sleeping pattern just switched completely, and I was laying awake all night just thinking and then sleeping all morning due to pure exhaustion.



Dr Jennifer Wild

“I never thought this would happen to me. I never thought I would have mental health problems. I always worked hard and didn’t let things get to me.

“In early 2020 a friend, who was in a similar situation and struggling with the job, suggested to me that I applied to the SHAPE recovery programme that she was on. It was then that I was diagnosed with PTSD and depression and started having regular telephone calls with Jennifer.

“For the next 12 weeks we had regular calls that were tailored for me. We did talk about the incident, but mostly it was about learning different tools to deal with what happened. I learnt about rumination and was taught to recognise what my triggers are that make me dwell on traumatic events. By recognising these early enough, I can stop myself from dwelling on negative things, which has been a massive, massive help.

“Now when I lay in bed trying to fall asleep, I can recognise when my mind drifts into work and re-playing that incident. Continuously playing it over and over again in your head doesn’t do any good. So instead, I’ve now trained myself to think about golf!

“It’s not about trying to forget what happened or trying to block it out but thinking about it in a better way. Now my mood has improved, and I feel more like myself again.

“Originally when I returned to work it was to deliver vaccinations, but now I’m well enough to be back on full active duty. That’s thanks to the support from LAS and the SHAPE programme.

I never thought this would happen to me. I never thought I would have mental health problems. I always worked hard and didn’t let things get to me.

“Since going through SHAPE I now understand that we have to work on our mental health in the same way we do our physical health. Now I have the tools to work through that traumatic event, and I will never forget them. I’ll have these tools for the rest of my life.”

Jennifer’s work on preventing PTSD is contributing to new guidelines being issued to the Association for Ambulance Chief Executives, meaning that paramedics across the UK will be better supported.

This study has now led to even more funding for Jennifer and her team so that they can continue with their research. This includes a grant to expand the prevention work to Australia, helping to protect the mental health of front-line workers on both sides of the globe.



A Brighter Future

In 2021, MQ launched its new 5-year strategy and research plan. MQ understands that simply investing in research is not enough to transform the lives of vulnerable people. The learnings gained from research must be applied to the real world through policy changes, making newly developed treatments widely available and targeting public spending where it is needed most.

MQ uses our unique position and network of experts to drive positive changes. By using an evidence-backed approach to lobbying, we influence policy makers and public bodies through our advocacy work.

By engaging decision makers and bringing different experts together from across the mental health ecosystem to work collaboratively, MQ has significantly effected change already in 2021.

This focused direction to see research put to work for people with mental illness has seen us deliver new research grants, launch new research partnerships, and increase our convening and advocacy work throughout the year.

1. Thematic Focus 1

Thriving in a Post-Pandemic world

We want to shine a spotlight on the impact of the COVID-19 pandemic on mental health, identifying and improving the support for young people and other vulnerable populations and using our wide network and influence to advocate for mental health research. In just 1 year, we have built a platform of multi-sector and multi-discipline initiatives to this end:

Fellows Awards 2021-2024

We're proud to be funding researchers who are helping us edge closer towards a brighter future for mental health. All three of the new research projects awarded in 2021 are 3-year awards focused on the mental health of children and young people, each with their own, unique angle.

- Dr Ruchika Gajwani will test a pilot intervention for young people with Borderline Personality Disorder (BPD).
- Dr Katie Young is looking at youth anxiety and depression during and after the COVID-19 pandemic.
- Dr Mark Taylor is investigating the causes and consequences of mental ill-health for young people with autism.

We look forward to continuing to work with these new Fellows as their findings emerge.

IDEA Flame 2021-2023

A £300k investment to build upon existing research into depression in children and young people and its link to inflammation. IDEA FLAME will identify the specific mechanisms in the body's immune response which are linked to an increased risk of depression. The findings from this project will be crucial in identifying novel therapies which prevent future depression, and may even mean that clinicians can use a simple blood test to detect whether an anti-inflammatory treatment can be used to prevent depression in a young person.

The Mental Health Research response to the Pandemic

In 2020, the Academy of Medical Sciences along with MQ, convened a group of multi-disciplinary experts, including people with lived experience, to define a set of mental health research priorities in response to the pandemic.

Published in [The Lancet Psychiatry](#), the position paper identified the immediate and longer-term priorities for mental health research in light of the pandemic, and catalysed new grants from some of the UK's largest funders. It also became the most cited paper for 2020 and 2021 in the Lancet Psychiatry.

In April of 2021, we convened a larger and more





diverse coalition, including the Government's Chief Medical Officer, Professor Chris Whitty, representatives from the Department of Health and Social Care, the Medical Research Council and lived experience community. The group reflected on the priorities initially identified, reviewed and updated them, and laid out the next steps as the focus shifted from an emergency response to a long-term strategy.

A report was published following the workshop which detailed the understood effects of the pandemic and laid out key priorities for research moving forwards.

These include:

- Focusing on solutions
- Focusing on vulnerable populations
- Mobilising data
- Strengthening interdisciplinary collaboration

The project has now developed into an MQ & Lancet Standing Commission with a global cross-discipline group to continue to plan the future of mental health research over the next 3 years.

By convening this working group, MQ is cementing our role as a leader in the mental health research arena and harnessing the knowledge of leading experts around the world.

All Party Parliamentary Group for a Fit and Healthy Childhood

Working with the APPG for a Fit and Healthy Childhood, MQ sponsored a paper entitled 'The COVID generation: A mental health pandemic in the

making. This paper, which was compiled by over 40 academics, charity sector experts and children's play specialists, called for urgent action and funding from the UK government to help protect children's mental health.

The report contained several recommendations such as:

- Implementing a cross-national mental health strategy which included a joint policy statement from the UK's four children's commissioners and for public sector organisations such as the health and education sectors, to work together for a comprehensive approach.
- New and substantial government funding ring-fenced for children and young people's mental health: marrying resourcing with need and levelling up historic under-funding.
- A radical expansion of mental health research, supported by the UK government, to help identify and support vulnerable people.
- Effective economic support for disadvantaged families to include a strategic review of the benefit system and school meal provision.

The report was published in April and we were delighted that during Mental Health Awareness week in May, the then Secretary of State for Education, Gavin Williamson, announced £17million in new funding for pupils and students' mental health and well-being to help them recover from the impact of the pandemic.

Understanding the mental health impact of COVID-19 Infection 2021-23

In 2021 MQ partnered with the PHOSP-Covid and Covid CNS Studies to help to support the understanding of the impact of covid on mental health in a mind, body, brain approach.

- The Post-hospitalisation COVID-19 study (PHOSP-COVID); a consortium of leading researchers and clinicians working together to understand and improve long-term health outcomes for patients who have been in hospital with confirmed or suspected COVID-19. MQ sits as part of the Charity Reference Group supporting communications and PPIE as well as part of the Neurological & Mental Health Working Group, helping to frame the overall research questions of the study through a Mental Health lens. The study's early findings indicate that five months after hospitalisation with COVID, 25% of people were experiencing significant symptoms of anxiety and depression whilst 12% had symptoms of PTSD. At 12 months after discharge, less than 1 in 3 patients felt that they had fully recovered.
- COVID-19 Clinical Neuroscience Study (COVID-CNS) - investigating the neurological and neuropsychiatric effects of COVID-19 to understand who is at risk and to develop strategies on how to treat them. MQ sits on the PPIE panel and the study board advising on integration of patient needs as well as ensuring both studies are working together smoothly.

MQ will be seeking to invest into further understanding of Cognitive impairment in post-Covid infections in 2022.

Workplace Mental Health

MQ has also announced the launch of our new Workplace mental health program which will work with corporate partners to identify the common causes of workplace stress and burnout for employees and recommend interventions and support mechanisms. This new program is being run in partnership with Peopleful.

In our first step in this programme, MQ was also pleased to announce its new partnership with Deutsche Bank UK. MQ was named as Deutsche Bank's charity of the year for 2022/23 following a staff vote. This two-year partnership aims to raise over £2million which will be invested into MQ's work and will also allow staff at the bank to get hands-on with research, both by taking part in studies and by mentoring early career researchers to help them develop their careers.

DATAMIND

MQ is part of a UK-wide consortium that secured a £2million investment from the Medical Research Council to launch the DATAMIND project. The DATAMIND hub is led by MQ-funded researcher Professor Ann John and builds on the learnings and success of the Adolescent Data Platform. This hub will provide innovative data resources for mental health



research and innovation by improving the use of big data for mental health research. The hub will bring together data from diverse sources including health records, schools and administrative data and make it safely, securely and anonymously available for research.

“MQ is leading the way when it comes to cross-disciplinary working within mental health. Through their Science Summit, the Lancet Standing Commission and their collaborative lobbying efforts, MQ is clearly demonstrating that a holistic approach to mental health science is the best way for us to thrive in a post-pandemic world.”

**Professor Peter B Jones FRCPsych FMedSci.
University of Cambridge.**

2. Thematic Focus 2 Gone too soon – Launching 2022

In addition to delivering our first thematic focus area, we have been preparing for the launch of our next thematic focus that will run alongside Thriving in a post-pandemic World.

The lives of people severely affected by mental illness are scandalously short. Suicide is the leading cause of death for 15-29 year olds, and young adults with a severe mental illness are five times more likely

to have three or more physical health conditions than their peers.

Trying to understand and prevent early mortality in those with mental illness and mental distress is the key aim of 2022’s Gone Too Soon funding program.

A two-day expert meeting, led by professors Carol Worthman and Rory O’Connor, will convene world-leading experts to develop a roadmap for tackling early deaths. This roadmap will lay out the plan to identify the common causes of early deaths among people with significant mental health concerns, and establish solutions.

Additionally, MQ will be seeking support for the broadening work of the Adolescent Data Platform to gather and analyse information about suicide and self-harm. Importantly, this will include information from low-and middle-income countries, ensuring a truly global approach to understanding the factors involved in suicidal behaviours.

Finally, the next MQ Fellows funding round will be launched after the expert roadmap meeting. The grants issued through MQ’s flagship Fellows programme will support some of the best and brightest early career researchers to answer tough questions about mortality and how we can prevent early deaths among those with mental illnesses.



MQ's approach



Data driven

Data-driven science has huge potential in the near term to drive forward research and lead to major improvements in care and treatments. We will continue to galvanise the mental health data science community and transform policy through the ethical use of data.



Sustainable

MQ has invested over £21million to enable research. We are committed to ensuring that all our investments in research and future programmes give those we support confidence and security. By investing in early career scientists, we can grow talent in the field of mental health research.



Inclusive

We will listen to diverse voices to increase understanding of mental health together. Through Public and Patient Involvement and Engagement (PPIE), we will continue to amplify the voices of people with lived experience and ensure they are valued contributors through the mental health landscape.



Collaborative

MQ engages people from across the mental health ecosystem. People with lived experience, funders, charities, healthcare providers and researchers from a wide variety of disciplines. We have a wide network of partners and ensure we do not duplicate work.

Financial Review and Strategic Report

Summary

MQ started the year with a strategic plan and operational model in place, which had been stress-tested through the first year of the pandemic. Remaining responsive and open to new collaborations, the financial sustainability of the charity continued to bed in.

Significant efforts were also made to develop longer-term funding arrangements and through securing multi-year support, MQ is well-placed to move into 2022 with growth expectations.

Income

We are pleased to report that generated income increased on all income streams: Philanthropic income increased by 24% to £0.923m (2020: £0.75m) representing 50% of income (2020: 38%); of which £0.18m is from the US based MQ Foundation. Other generated income increased by 20% to £0.2m (2020: £0.17m).

Thanks to one of our best fundraising year's to date, MQ was able to draw down less seed funding from the Wellcome Trust than in 2020, decreasing our reliance by 19% to £0.63m (2020: £0.78m) representing 34% (2020: 40%) of total income as MQ moves towards a self-sustaining business model in 2022.

There were challenges due to the COVID-19 lockdown at the beginning of 2021 and this impacted most of the challenge events and community fundraising we had hoped to deliver. Despite these challenges the income growth is encouraging and moving into 2022, we have confidence in our ability to utilise the return to normality with great enthusiasm.

Expenditure

MQ Mental Health Research spent a total of £1.59m (2020: £1.92m) in charitable grants and programmes to help understand, treat and prevent mental ill-health. The consolidation of the UK team has yielded efficiencies and will impact future growth positively whilst ensuring fundraising expenditure of £0.48m (2020: £0.43) is kept at a competitive proportion of expenditure.

Reserve Policy

The Trustees have taken a risk based approach to defining adequate reserves and so in recognition of global financial uncertainty, the Trustees feel the current policy is adequate. The policy requires MQ Mental Health Research to hold reserves (unrestricted funds) to cover a minimum of six months' expenses, based on the annual budget as agreed by the Board. This was set at £0.84m based on the 2022 budget excluding fixed assets. As of 31st December 2021, the free reserves of the charity amounted to £0.91m. Restricted funds are not included in the reserves policy, as the Trustees have no discretion over how they are spent. If the Trustees choose to designate funds, these will not be included in the reserves policy, as they are held for a designated purpose. All grants' awards are retained in designated or restricted funds to ensure the continuity of funding to researchers and institutions.

Funds

At the end of 2021, total funds stood at £3.58m (2020 £3.77m)

- Restricted funds amounted to £0.83m (2020 £0.46m) and are subject to conditions imposed by donors or implied by the nature of an appeal.

- Designated funds of £1.83m (2020 £2.08m) are held as awarded research grants.
- Unrestricted funds of £0.92m (2020 £1.23m) comprise free reserves equivalent to 8 months based on the 2022 budget.

Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year-end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, our budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditure. We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future. Further, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern.

Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The risks which face the charity are detailed in its consolidated risk register, which the Trustees keep under active review. Headline Risks in 2021 include:

1. Uncertainty of the ongoing financial and social impact of COVID-19

Mitigation – The board review stress testing of banking arrangements and have a diversified portfolio of risk. Fundraising efforts are focused on a range of segments and levels to reduce the potential impact of any sector-wide downturn.

2. Risk of losing key personnel due to COVID-19

Mitigation – Existing HR processes include detailed job descriptions with clear roles and responsibilities which are defined in a matrix structure. In addition, a list of accounts and passwords is securely stored, and once business travel resumes, insurance for key staff is already in place. Temp and recruitment agencies have already been sourced in case of an urgent need for staff.

3. Donor pyramid is heavily weighted on large partnerships

Mitigation – Monitor fundraising channels closely and assess regularly. Assess performance against KPIs on large grants to ensure maximum income is achieved. Recruited new business role in 2021 and carried out wealth screening for new prospects.

4. Income is outstripped by expenditure jeopardising the sustainability of the organisation resulting in lack of growth or closure

Mitigation – Focused fundraising plans have been executed. Scenario and sensitivity budgets developed. Regular cashflow forecasting. Due to the Deutsche Bank 2-year partnership, the risk of instability decreased in medium term, but ongoing mitigation through unrestricted income generation is required for sustainability in 2024.

5. Cyber Attack

Mitigation – We have installed firewalls and antivirus software on all machines. Our outsourced IT company continuously monitor the network traffic. We provide regular training for all staff on how to prevent cyber-attacks and educate them on digital safety and data sharing.

The Trustees believe that appropriate policies to mitigate lower-level day-to-day risks have been adopted. They also believe that key financial systems are in place and appropriate internal controls are maintained for an organisation of the charity's size and complexity. The overall financial and operational control

environment is kept under regular review by the CEO and Director of Finance, with regular reports provided to the Executive Team and Board.

Corporate Structure and Governance

MQ Mental Health Research, company number 07406055 and charity number 1139916 (England & Wales) and SC046075 (Scotland), is a charitable company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association dated 19th January 2011, and it was incorporated on 13th October 2010. The Memorandum and Articles of Association were revised on the 12th of March 2019. Under the conditions of the guarantee, members' liability is restricted to £1 each. The number of members in 2021 was 9 (2020 9).

MQ Mental Health Research is the owner of a registered trademark and as such through a license agreement licenses The MQ Foundation, a 501c3 non-profit company registered in New York, USA. Additional agreements define the operational and strategic links between the organisations, safeguarding the independence of both entities and their responsibilities for data protection, financial management, safeguarding and strategic operation.

MQ Mental Health Research's charitable objects

The Board has ongoing regard for the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans. MQ Mental Health Research continues to make a significant impact in funding and supporting ground-breaking research, convening experts through events and forums and supporting the publication of studies and reports. Regular monitoring and reporting of projects are carried out to ensure that MQ continues to deliver world-class research and is utilising funds in line with the wishes of donors in the UK, US and around the world.

Safeguarding

MQ's safeguarding arrangements are reviewed annually and the Trustees feel that policies in place represent a robust due diligence on those receiving grants, a strong framework to protect vulnerable donors and clear training and support for all staff engaging in frontline activities.

Board and management roles

The MQ Mental Health Research Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is properly managed.

The Board's principal roles are:

- Approving the mission, strategies, policies and annual business plan
- Appointing and overseeing the CEO
- Monitoring performance and risk management
- Reporting performance with integrity and transparency
- Setting the vision and maintaining high standards of stewardship and values
- Ensuring compliance with UK law and Charity Commission regulations
- Managing its governance processes
- Adding value by advising management
- Representing the interests of MQ Mental Health Research's stakeholders

The Board delegates responsibility for operational management to the CEO (the Principal Officer), who is responsible for developing the organisation's plans, policies and processes, following Board advice and approval. The Executive Team made up of the Heads of Finance; Research; Marketing, and Philanthropy & Partnerships, support the leadership of the organisation's strategic growth. Salaries of key personnel are benchmarked with external research and agreed by the Board of Trustees.

Remuneration policy

MQ's salaries are informed by external benchmarking as necessary. The performance of key management personnel is monitored via regular one-to-one meetings with the CEO (and the CEO with the Chair), assessment against objectives and an annual appraisal process. Any salary awards for key management personnel must be approved by the Board.

Fundraising

MQ Mental Health Research complies with the Fundraising Standards Board requirements and is registered with the Fundraising Regulator, only utilising agencies that are compliant with these standards. MQ does not solicit gifts by telephone or door to door acquisition methods, has received no complaints from any regulator and ensures that all donors receive only the communications they request.

Board composition

The Board comprises independent, unremunerated, non-executive directors (trustees) who have a broad range of skills and experience including scientific, clinical, financial, legal and strategic backgrounds. Recognising the international collaboration of charities, MQ Mental Health Research provides observers in the form of the UK Chair and the UK CEO to the MQ Foundation Board (a total of eight members), and in return receives two members from the MQ Foundation Board as full MQ Mental Health Research Trustees (a total of nine members). As the Board continues to strengthen and expand, the Trustees are committed to the highest standards and encouraging applications from a diverse range of individuals.

Trustee recruitment, induction and training are overseen by working groups of the Board.

Board expenses

No fees or remuneration are paid for serving as a MQ Mental Health Research Board member. MQ Mental Health Research reimburses reasonable expenses incurred during the course of acting as a trustee. This includes travel and accommodation expenses required to attend meetings, training and orientation costs. Every effort is made to ensure costs are at a minimum.

Board meetings

The Board meets five times a year, with additional meetings as required. The Board has one advisory group:

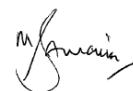
- Mental Health Science Council – made up of nine members of whom four are board members of MQ. The advisory body commissions independent advice on peer review and grant-making decisions, with final authority of decision-making resting with the Board of Trustees.

This Council is established under formal terms of reference, which are reviewed annually. The committee includes members with directly relevant experience, including scientific and clinical skills. The Board does not delegate major decision-making powers to the Council.

Auditor

Moore Kingston Smith LLP were appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 19 April 2022 and signed on their behalf by



Shahzad Malik
Chairman



Chris Parsons
Trustee

Independent Auditor's Report to the Members of MQ Transforming Mental Health

Opinion

We have audited the financial statements of MQ Transforming Mental Health ('the company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)

Date 19.04.2022

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
Devonshire House, 60 Goswell Road, London EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Income from:					
Donations and legacies	2	1,343,863	505,161	1,849,024	1,960,165
Charitable activities	3	12,181	–	12,181	–
Investments	4	11,455	–	11,455	17,271
Other Government income		–	–	–	7,655
Total income		1,367,499	505,161	1,872,660	1,985,091
Expenditure on:					
Raising funds	5	475,016	–	475,016	428,096
Charitable activities					
Scientific research	5	888,391	138,687	1,027,078	1,261,843
Awareness raising and Advocacy	5	565,107	–	565,107	657,640
Total expenditure		1,928,514	138,687	2,067,201	2,347,579
Net income for the year and net movement in funds	7	(561,015)	366,474	(194,541)	(362,488)
Reconciliation of funds:					
Total funds brought forward		3,310,437	464,486	3,774,923	4,137,411
Total funds carried forward		2,749,422	830,960	3,580,382	3,774,923

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.

Balance sheet

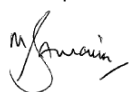
As at 31 December 2021

Company no. 07406055

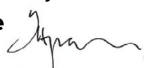
	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		10,456		3,400
			10,456		3,400
Current assets:					
Debtors	13	375,903		166,936	
Cash at bank and in hand	18	3,410,113		3,817,740	
		3,786,016		3,984,676	
Liabilities:					
Creditors: amounts falling due within one year	14	(216,090)		(213,153)	
Net current assets			3,569,926		3,771,523
Total net assets	15		3,580,382		3,774,923
The funds of the charity:					
Restricted funds	16	830,960		464,486	
Unrestricted funds (including designated funds)					
Designated funds	16	1,833,003		2,082,127	
General funds	16	916,419		1,228,310	
Total funds			3,580,382		3,774,923
Total charity funds			3,580,382		3,774,923

Approved by the trustees on 19 April 2022 and signed on their behalf by

Shahzad Malik, Chairman



Chris Parsons, Trustee



Statement of cash flows

For the year ended 31 December 2021

	Note	£	2021 £	£	2020 £
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	17		(396,923)		(293,642)
Cash flows from investing activities:					
Purchase of fixed assets		(10,704)		(2,458)	
Fixed asset adjustment		—		39	
Net cash provided by / (used in) investing activities			(10,704)		(2,419)
Change in cash and cash equivalents in the year			(407,627)		(296,061)
Cash and cash equivalents at the beginning of the year			3,817,740		4,113,801
Cash and cash equivalents and net debt at the end of the year	18		3,410,113		3,817,740

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies

a) 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) 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 or note.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern for at least 12 months from the date of signing these financial statements. The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern, including the impact of the COVID-19 outbreak. The trustees have approved operational plans and expenditures based on income level and are confident of operating the charity well within the parameters of our reserves policy. Also, the trustees review the annual budget during mid-year reforecast and reassess the reserve position. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the financial statements.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance

conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have

1 Accounting policies (continued)

been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grants to mental health research organisations, advocacy activities and other educational and awareness raising activities undertaken to further the purposes of the charity and their associated support costs

- Other expenditure represents those items not falling into any other heading Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when MQ upon annual review approve the milestones in the grant agreement are met. Contingent grant liabilities are disclosed when the charity has indicated a willingness to fund a project but the grant milestones have not yet been met (note 20).

When the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable, the total grant commitment is set aside in a designated fund (note 20).

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|----------------------------------|-----|
| • Scientific research | 40% |
| • Awareness raising and Advocacy | 25% |
| • Cost of raising funds | 35% |

Governance costs are the costs associated with the governance arrangements of the

1 Accounting policies (continued)

charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold Property	5 years
• Office Equipment	3 years
• Fixtures and Fittings	5 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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 method.

q) Estimates and Uncertainties

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments (see 1(i)).

The trustees do not consider that there are any sources of estimation uncertainty (other than grant commitments Note 20) at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

r) Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

2 Income from donations and legacies

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Unrestricted £	2020 Restricted £	2020 Total £
Gifts						
Individual Giving	196,262	2,890	199,152	151,449	4,263	155,712
Wellcome Trust*	630,412	56,880	687,292	774,938	124,000	898,938
Philanthropy and Partnerships	515,189	408,266	923,455	293,516	453,789	747,305
Co-Funding	–	37,125	37,125	–	148,210	148,210
Legacies	2,000	–	2,000	10,000	–	10,000
	1,343,863	505,161	1,849,024	1,229,903	730,262	1,960,165

*Under the Wellcome Trust's Grant Letter of 16th January 2012, at the balance sheet date, the charity had drawn down £21m. The company can in due course (and subject to compliance with the requirements set out in the grant letter), drawdown, in aggregate, a further £1.8m (2020: £2.4m).

3 Income from charitable activities

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Unrestricted £	2020 Restricted £	2020 Total £
Contributions towards scientific meetings	12,181	–	12,181	–	–	–

4 Income from investments

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Unrestricted £	2020 Restricted £	2020 Total £
Bank interest received	11,455	–	11,455	17,271	–	17,271
	11,455	–	11,455	17,271	–	17,271

5 Analysis of expenditure

	Cost of raising funds	Charitable activities				2021 Total £
		Scientific research £	Awareness raising and Advocacy £	Governance costs £	Support costs £	
Staff costs (Note 8)	142,547	259,532	178,024	21,156	105,782	707,041
Grant-making (Note 6)	–	547,766	–	–	–	547,766
Other direct costs	216,076	66,426	305,344	134	21,592	609,572
Office costs	170	31	6	–	150,033	150,240
Audit	–	–	–	16,770	–	16,770
Bank charges	51	34	85	3	1,106	1,279
Foreign exchange (gains) and losses	–	–	–	–	(1,796)	(1,796)
Meetings	1,865	22,652	–	6,275	5,087	35,879
Legal fees	–	–	–	450	–	450
	360,709	896,441	483,459	44,788	281,804	2,067,201
Support costs	98,631	112,722	70,451	–	(281,804)	–
Governance costs	15,676	17,915	11,197	(44,788)	–	–
Total expenditure 2021	475,016	1,027,078	565,107	–	–	2,067,201

Of the total expenditure, £1,928,514 was unrestricted (2020: £1,892,238) and £138,687 was restricted (2020: £455,341).

5 Analysis of expenditure (continued)

		Charitable activities				
	Cost of raising funds	Scientific research £	Awareness raising and Advocacy £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 8)	157,592	214,754	309,973	19,005	114,028	815,352
Grant-making (Note 6)	–	812,843	–	–	–	812,843
Other direct costs	132,603	74,887	244,516	9,257	89,314	550,577
Office costs	78	–	164	3	160,168	160,413
Audit	–	–	–	13,356	–	13,356
Bank charges	12	–	396	–	1,227	1,635
Foreign exchange (gains) and losses	–	–	–	–	(26,535)	(26,535)
Meetings	1,634	128	5,321	102	330	7,515
Legal fees	–	3,600	–	8,823	–	12,423
	291,919	1,106,212	560,370	50,546	338,532	2,347,579
Support costs	118,486	135,413	84,633	–	(338,532)	–
Governance costs	17,691	20,218	12,637	(50,546)	–	–
Total expenditure 2020	428,096	1,261,843	657,640	–	–	2,347,579

6 Grant making (Grants to institutions)

	2021 £	2020 £
Cost		
Fellows Programme	178,502	595,955
PsyIMPACT	44,793	89,883
Data Science	41,908	47,009
Brighter Futures	282,563	79,996
At the end of the year	547,766	812,843

6 Grant making (Grants to institutions) (continued)

The Fellows programme supports the brightest and best early career scientists who are asking challenging questions that will contribute to transformative advances in mental health.

The PsylMPACT programme supports innovative research to develop and test psychological treatments, getting people the right treatments faster.

The Data Science programme awards grants to help realise the huge potential in the near term to harness data science to drive forward research.

The aims of MQ's Brighter Futures programme stem from the fundamental belief that research can change the trajectory of mental illness in young people, tackling the life-long impacts of many conditions and working towards a world where mental illness may one day be made preventable.

7 Net income for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation	3,648	6,226
Property lease rentals	116,660	114,000
Auditors' remuneration (excluding VAT)	13,975	11,130
Foreign exchange (gains)/ losses	(1,796)	(26,535)

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	617,367	719,822
Social security costs	61,876	64,182
Employer's contribution to defined contribution pension schemes	27,798	31,348
	707,041	815,352

Included in the Salaries and wages redundancy payments made during the year amounted to £15,000 (2020: £10,000) as a result of a restructuring of the Charity.

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	–	–
£80,000 – £89,999	–	–
£90,000 – £99,999	–	1
£100,000 – £109,999	1	–

The pension contributions paid to higher employees amounted to £8,310 (2020: £7,047).

The total employee benefits (including employers' NI and pension contributions) of the key management personnel (CEO, Head of Finance, Head of Research, Head of Philanthropy & Partnerships and Head of Marketing) were £391,256 (2020: £366,959).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £6,862 (2020: £10,336) incurred by 9 (2020: 7) members relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Raising funds	3	4
Scientific research (Including one Part time staff)	4	3
Awareness raising and advocacy	3	5
Support (Including one Part time staff)	4	4
Governance	–	–
	14	16

10 Related party transactions

Aggregate donations from trustees were £147,066 (2020: £38,500).

Professor Peter B Jones is a trustee of the Charity. He was a co–applicant on a grant to the University of Cambridge, which was awarded £49,980 of grant funding during the year ended 31 December 2018. He was not involved in the grant funding decisions process and is a name only applicant on this grant. During 2021 the final payment £4,998 was paid in 2021.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

The average number of employees (head count based on number of staff employed) during the year was as follows:

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At the start of the year	9,033	65,335	74,368
Additions in year	–	10,704	10,704
Disposals in year	(6,272)	(10,619)	(16,891)
At the end of the year	2,761	65,420	68,181
Depreciation			
At the start of the year	8,476	62,492	70,968
Charge for the year	313	3,335	3,648
Eliminated on disposal	(6,272)	(10,619)	(16,891)
At the end of the year	2,517	55,208	57,725
Net book value			
At the end of the year	244	10,212	10,456
At the start of the year	557	2,843	3,400

13 Debtors

	2021 £	2020 £
Trade debtors	–	–
Other debtors	57,000	57,000
Accrued Income	255,767	24,942
Prepayments	63,136	84,994
	375,903	166,936

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	7,020	26,054
Other creditors	2,964	1,813
Deferred Income	160,000	–
Grant Accruals	31,946	107,999
Other Accruals	14,160	77,287
	216,090	213,153

15 Analysis of net assets between funds

a) At 31 December 2021	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	10,456	10,456
Current assets	830,960	2,955,056	3,786,016
Current liabilities	–	(216,090)	(216,090)
Net assets at the end of the year	830,960	2,749,422	3,580,382

b) At 31 December 2020	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	3,400	3,400
Current assets	464,486	3,520,190	3,984,676
Current liabilities	–	(213,153)	(213,153)
Net assets at the end of the year	464,486	3,310,437	3,774,923

16 Movements in funds

a) Year ended 31 December 2021	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures ADP	–	240	(240)	–	–
Brighter Futures Hopes	1,000	–	(1,000)	–	–
Brighter Futures IDEA	0	266,480	–	–	266,480
Fellows	359,098	151,561	(66,165)	104,388	548,882
Mental Health Science Meeting		56,880	(56,880)	–	–
Howell Jadwiga Fund	104,388			(104,388)	–
ENIGMA Book	–	30,000	(14,402)	–	15,598
Total restricted funds	464,486	505,161	(138,687)	–	830,960
Unrestricted funds:					
Designated funds:					
Grant commitments	2,082,127	–	(549,086)	299,962	1,833,003
Total designated funds	2,082,127	–	(549,086)	299,962	1,833,003
General funds	1,228,310	1,367,499	(1,379,428)	(299,962)	916,419
Total unrestricted funds	3,310,437	1,367,499	(1,928,514)	–	2,749,422
Total funds	3,774,923	1,872,660	(2,067,201)	–	3,580,382

16 Movements in funds (continued)

b) Year ended 31 December 2020	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures ADP	–	240	(240)	–	–
Brighter Futures Hopes	–	1,000	–	–	1,000
Fellows	–	571,766	(212,668)	–	359,098
Nick Wilkes Fund	100	–	(100)	–	–
Awareness raising	–	100,000	(100,000)	–	–
Howell Jadwiga Fund	146,617	–	(42,229)	–	104,388
Participate	35,193	57,256	(92,449)	–	–
Other Government grant	–	7,655	(7,655)	–	–
	181,910	737,917	(455,341)	–	464,486
Unrestricted funds:					
Designated funds:	2,218,657	–	(809,467)	672,937	2,082,127
Grant commitments					
Total designated funds	2,218,657	–	(809,467)	672,937	2,082,127
General funds	1,736,844	1,247,174	(1,082,771)	(672,937)	1,228,310
Total unrestricted funds	3,955,501	1,247,174	(1,892,238)	–	3,310,437
Total funds	4,137,411	1,985,091	(2,347,579)	–	3,774,923

16 Movements in funds (continued)

Purposes of restricted funds

Brighter Futures Foundation	This fund supports the start up of our Brighter Futures programme
Brighter Futures IDEA	This fund contributes money toward the IDEA of the Brighter Futures project
Brighter Futures ADP	This fund contributes money toward the Adolescent Data Platform workstream of the Brighter Futures project
Brighter Futures HOPES	This fund contributes money toward the HOPES workstream of the Brighter Futures project
Data Science	This fund is used to help fund our data science programme
Fellows	This fund helps to pay for new and existing MQ Fellows
PsylImpact	This fund helps to pay for our PsylImpact programme
Mental Health Science Meeting	It is an annual event which bring together scientists, mental health stakeholders and policy-makers from across the UK and beyond.
Participate	A digital hub for mental health research, providing an accessible online portal to connect the research world to those with lived experience.
Nick Wilkes Fund	The Nick Wilkes Fund represents money received in 2014/2015 in honour of Nick Wilkes, a young man who lost his life to bi-polar disorder. This fund is being spent on research.
Howell Jadwiga Fund	This fund helps to pay for our Borderline Personality Disorder project which has been awarded in 2020. Therefore the funds has been transferred to Fellows fund.
ENIGMA Book	Co-produced with our corporate partner Enigma Holdings the Enigma book uses the personal stories of celebrities and other people with loved experience to explain different mental health conditions and the latest research around them.

Purposes of designated funds

Grant commitments represent amounts awarded in relation to our Fellows, Data Science, Bright Futures and PsyIMPACT programmes payable in future years but where there is uncertainty of the timing of the grant payment as it is dependent on milestones being achieved.

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	(194,541)	(362,488)
Depreciation charges	3,648	6,226
Decrease/(increase) in debtors	(208,967)	64,834
(Decrease) / Increase in creditors	2,937	(2,214)
Net cash provided by / (used in) operating activities	(396,923)	(293,642)

18 Analysis of cash and cash equivalents and changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	3,817,740	(407,627)	3,410,113
Overdraft, Loan and Finance Lease	—	—	—
Total cash and cash equivalents	3,817,740	(407,627)	3,410,113

19a Commitments

The charity's total future minimum lease payments under non–cancellable leases is as follows for each of the following periods

	Land & Buildings 2021 £	Other 2021 £	Land & Buildings 2020 £	Other 2020 £
Within one year	78,000	377	86,640	6,438
Two to five years	202,800	–	311,904	377
Over five years	–	–	–	–
Total	280,800	377	398,544	6,815

19b Operating Lease Income

Future payments receivable under these non–cancellable operating leases for each of the following periods following the balance sheet date are:

	2021 £	2020 £
Within one year	50,160	–
Two to five years	4,560	–
Total	54,720	–

20 Grant commitments

At 31 December 2021, the charity has committed to future expenditure amounting to £1,833,003 (2020 – £2,082,127) in relation to its Fellows, Data Science, Brighter Futures and PsyIMPACT programmes. The movements on these commitments are as below.

	2021 £	2020 £
Balance at the start of the year	2,082,127	2,218,657
New grants committed to	299,962	672,937
Exchange Rate differences/(write back)	(1,320)	3,376
Expended in the year	(547,766)	(812,843)
Balance at the end of the year	1,833,003	2,082,127
These commitments are expected to be payable as follows		
In one year	886,965	1,034,844
In two to five years	946,038	1,047,283
Total	1,833,003	2,082,127

The grant commitments are not fully recognised in the year they are committed, as they are subject to annual progress review before further instalments are released. The amounts accounted for in the year are those MQ deem the milestones in the grant agreement have been met.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Statement of financial activities (incorporating an income and expenditure account)

	Note	Unrestricted £	Restricted £	2020 Total £
Income from:				
Donations and legacies	2	1,229,903	730,262	1,960,165
Charitable activities	3	–	–	–
Investments	4	17,271		17,271
		–	7,655	7,655
Total income		1,247,174	737,917	1,985,091
Expenditure on:				
Raising funds	5	428,096	–	428,096
Charitable activities				
Scientific research	5	998,951	262,892	1,261,843
Awareness raising and Advocacy*	5	465,191	192,449	657,640
Total expenditure		1,892,238	455,341	2,347,579
Net income for the year and net movement in funds	7	(645,064)	282,576	(362,488)
Reconciliation of funds:				
Total funds brought forward		3,955,501	181,910	4,137,411
Total funds carried forward		3,310,437	464,486	3,774,923

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Thank you to our principle donors

Debbie and Chris Parsons
Healthy Brains Global Initiative
Helen Munn
Henri Lambert
Henry Bedford
Isin Karahan
James Palmer
Jason Fox
Kepler Cheuvreux Foundation
Richard W Holmes
Rosetrees Trust
Shahzad Malik
Stockport Homes Group
The Garfield Weston Foundation
William Templeton Foundation for Young People's Mental Health
Worshipful Company of Grocers' Charity





Registered charity in England / Wales: 1139916 & Scotland: SC046075 Company number: 7406055

Accounts



Mental
health
research

2020

ANNUAL REPORT

Trustees report and financial statements for
the year ended 31 December 2020

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Company number

07406055

Charity number

1139916

SC046075

Registered office

6 Honduras Street
London
EC1Y 0TH

Country of registration

England & Wales

Country of incorporation

United Kingdom

Bankers

Santander	Lloyds Bank
Bootle	74-78 Church Road
Merseyside	Hove
L30 4GB	BN3 2EE

Solicitors

Devonshires	Womble Bond Dickinson
30 Finsbury Circus	4 More London Riverside
London	London
EC2M 7DT	SE1 2AU

Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Trustees

Trustees, who are also Directors under company law, who served during the year and up to the date of this report were as follows:

Dr Shahzad Malik (Chair)
Mr John A Herrmann
Professor Emily Holmes
Professor Peter Jones FMedSci
Ms Helen Munn OBE (appointed 23 June 2020)
Mr Chris Parsons
Professor Irene Tracey FMedSci
Ms Sarah Woolnough
Mr Michael J Horvitz (appointed 23 June 2020)

Key management

Mr Lea Milligan – CEO
Mr Jey Balakrishnar – Head of Finance & Operations
Ms Sarah Shenow – Head of Research
Ms Emily Wheeler – Head of Philanthropy & Partnerships
Ms Bryony Doughty – Head of Marketing



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Letter from the Chairman

2020 was a year like no other. And whilst no one could have predicted the events of this most tumultuous of years, it has reaffirmed a fact we at MQ already knew to be true: **There is an urgent need for more investment in mental health research.**

As social distancing measures and national lockdowns the world over separate us from our friends and loved ones, for some this has helped to improve their mental health. But for many others, it has had detrimental, even catastrophic effects. Why have some groups been impacted so significantly? Only research can answer this question.

In the midst of the first lockdown of the year MQ had a change of leadership as Dr Helen Munn OBE handed the reigns over to our new CEO Lea Milligan. I am so grateful to Helen for her steady hand and guidance through a period of great transformation, and for her support to myself, the trustees and the staff.

Helen and the other trustees join me in welcoming Lea to the MQ family. Since starting in June 2020 Lea has already launched a new five-year strategy for MQ to hone our focus on the areas most important to our supporters and stakeholders, as well as helping MQ continue to create impactful change in the world of mental health and improve outcomes for those who need it.

You can find out more about Lea on page 6 and our new five-year strategy on page 10.

Despite the impact of COVID-19 on MQs activities and income, I am pleased we were able to approve three new studies through our Fellows Awards.

These three studies on borderline personality disorder, autism and mental health and the impact of the pandemic on young people, are wide ranging. But all have a core focus on the mental health of young people.

Investing in early career scientists through our Fellows programme helps to retain talent within the field of mental health research and increase diversity among professionals in the field.

Increasing the diversity of mental health research professionals is just one way we can prevent inequality when it comes to attitudes, treatments and access to care. By targeting the rising tide of youth mental illness, the injustice of racial inequalities in treatment, and the scandal of lives cut short through failing to integrate mental and physical health care, MQ's work will have impact for many years to come.

As I look to the future, I can see that there are many challenges we face, but we are in a stronger than ever position to tackle them face on.

The MQ Foundation in the USA is expanding and this year will see it's first full-time Executive Director appointed. Many of the projects MQ first supported are coming to fruition and we have an ever-increasing supporter base of enthusiastic ambassadors and generous donors without whom we would not be able to operate.

To everyone who has supported MQ in 2020, I thank you. It is because of you that we will be able to transform mental health through research.



Dr. Shahzad Malik

MQ's vision

Since the Wellcome Trust founded MQ in 2013, we have invested over £21M to support mental health research across 41 projects worldwide.

By taking a leading role in the field of data science, investing in early career scientists and creating the brand new Participate platform to link researchers with the general public, we're helping to illuminate our understanding of mental illness.

In this, the most challenging of years, we have invested £812,843 in 16 projects across a wide range of disciplines and subjects. For example, research by Dr Jean-Baptiste Pingault into the effects bullying in childhood can have on long-term mental health. This will help the many people struggling, such as MQ's newest ambassador for autism and mental health, AJ who experienced bullying in his youth. You can read more about Dr Pingault's research and AJ's story on page 15.

Over the next five years, a brand-new strategic approach will hone our focus and investment into the areas we believe are most vital and where we can have the greatest impact. See pages 10-12 for more information about our new five-year strategic framework.

Through sustainable, long-term investment in cutting-edge research MQ enables talented researchers to better understand, treat and ultimately prevent mental illnesses.

IDEA: Identifying Depression in Early Adolescence

Following MQ's largest-ever award, scientists successfully tested and validated a first-stage risk detection tool to predict which young people will go on to develop depression.

To read more about the IDEA project, and the other global impact project MQ supports see page 14.

Improving anxiety treatments for women

MQ-funded research found that women living with anxiety who have low levels of oestrogen are less likely to recover, even with therapy. This will change how treatments for anxiety is delivered – improving the lives of millions.

Protecting children from psychosis

Pioneering MQ-funded research proved that taking folic acid during pregnancy helps protect children developing psychosis.

Overcoming trauma

MQ-funded scientists identified the brain cells involved in rewriting traumatic memories. This has opened the gates to finding and testing better treatments for PTSD.

Introducing CEO Lea Milligan

Lea Milligan joined MQ in June as CEO. Previously the Executive Director of International NGO Mercy Ships. He has spent his career working in the non-profit sector.

Why have you joined MQ?

Over the last decade I have had the privilege of meeting and learning from young offenders in custody, families in some of the most deprived parts

of the UK and communities across West and Central Africa. In this time mental health has been a common thread, and it is visible in the lives of not only those in the toughest of circumstances but across all of society – my own family included.

Our mental and physical health are intrinsically linked. Our understanding of mental health is far behind where it should be, and we must do more to prevent and treat mental illnesses effectively.

MQ is an exciting, young organisation that has brought about incredible change in a very short period. The opportunity to contribute to such an important cause is amazing. WHO has highlighted some of the biggest challenges; depression is one of the leading causes of disability; suicide is the second leading cause of death among 15-29-year-olds; people with severe mental health conditions die prematurely – as much as two decades early – due to preventable physical conditions. Research is a core part of the solution.

What challenges has MQ faced this year and what challenges are to come?

Globally, 2020 is the year in which we realised the fragility of our individual and collective health and our health infrastructure. The underfunding and mismanagement of health care structures that has been going on for years has been highlighted the world over.

We've all faced challenges and MQ has not been immune to the financial impact of lockdowns. But thanks to its loyal donor base and the prudent leadership of the board and executive team we are well placed to continue to invest in ground-breaking research.

We still face an uphill struggle for the next few years. As social distancing remains part of normal life, as the economic impact of the pandemic works out and as the continued rise in mental health conditions worsens we will face many challenges. However, with a new five-year plan and an exciting team of researchers and leaders I am confident we will continue to make a greater and greater impact.

How will you lead MQ in the face of these challenges?

I am a firm believer in people. At MQ, we have assembled a strong board with leaders from the worlds of finance, science and philanthropy as well as an expanding international research committee with specialists, covering all disciplines of mental health science.

The MQ team based in London and New York has an incredible combination of talent and passion and are supported by an ever-growing group of ambassadors. My role is no more complex than to give the whole team the tools and forums they need to make our plans a success.



Lea Milligan

What is your long-term vision for the future of MQ?

MQ's vision for a brighter future needs us to focus relentlessly on the research that will make the greatest gains in understanding, treatment and ultimately prevention. MQ has already proven that by engaging the public and bringing scientists closer to patients, we can see research move into practical results.

Over the next five years we will be seeking to launch programmes that tackle some of the biggest questions in mental health.

- What does mental health look like in a post-pandemic world?
- How do we reduce the mortality gap between those with mental health conditions and those without, and how can we better understand the interplay with physical health?
- What radical new approaches can we take to tackle depression? Globally, the most large-scale mental health problem

I am also passionate about addressing inequalities across the globe to improve mental health for all.

Some of our most exciting research projects are led by researchers in low and middle income countries and are increasingly in global collaborations. As the world continues to get smaller, we can work ever more closely to learn from each other and aid better mental health for all.

To achieve all this, we will be focusing on essential goals across 2021:

- Growing the influence of our US office, appointing an Executive Director and expanding the board.
- Positioning our UK team to increase our impact with policy makers to see more funding secured for research and radical change to the mental health infrastructure and provision.
- Grow our numbers of supporters at all levels to expand the portfolio of research we support.
- Increase the international reach of our research committee to find and fund the best science with the greatest impact.

By focusing on these goals as an organisation across 2021 we will facilitate exciting and innovative research that will impact lives.

And finally, you joined MQ during an “unprecedented” time of social distancing. How has it been working remotely with a brand-new team?

I can't evidence it, but the most common phrases of the year must include “unprecedented”, “never before”, “now more than ever” and obviously “you're on mute.”

Leadership at any level is about relationships. Whether that's with your team, those you seek to

MQ is an exciting, young organisation that has brought about incredible change in a very short period

influence or the people you are serving. The main changes I, and others, have had to make over the last year is to be ever more intentional about connecting with people, asking deeper questions, finding ways to connect on multiple levels.

I think society will take a while to recover and I don't think we can ever go back to the lifestyle of 2019. We haven't yet begun to realise the learnings from this time – but over the next few years I'm excited to see how we can be more flexible in working patterns, support greater diversity and build different ways of thinking that can really help us to move forward.



Key achievements of 2020

In a year that brought healthcare issues into sharp focus worldwide, we're investing in understanding to take on the other pandemic: mental illness.

Mental health and COVID-19

Before March 2020, up to 1 in 4 people worldwide experienced a mental illness each year. But 2020 has been different. We are already seeing the worrying impact COVID-19 is having on people's mental health.

In response to the pandemic, MQ, along with the Academy of Medical Sciences, convened an expert group of scientists and those with lived experience to set out mental health research priorities. The paper was published in the prestigious Lancet Psychiatry journal in May 2020. It has also led to MQ being represented at the Lords' enquiry on COVID-19, to answer questions on its impact on mental health, resulting in our ongoing engagement with the UK Government's Chief Medical Officer, to continue to look to the UK mental health research strategy for the future.

In August, we partnered with Swansea University, the Mental Health Foundation and Leaders Unlocked on a study to highlight how young people in the UK are struggling with their mental health as a result of

the COVID-19 pandemic. The study showed the vast majority (68%) of British teenagers fear the pandemic will make the future worse for people their age, while half of those surveyed said they had not been able to stop or control their worrying. Following on from the results of the survey, we will continue to target the rising tide of youth mental illness over the coming months and years, particularly as we learn more about the long-term effects of the pandemic.

Vaccination will be unlikely to lead to the eradication of COVID-19 and it will be many years until developing nations receive vaccination programmes at scale. We have been involved in ensuring that mental health and the voice of patients remains a key element of research into the direct impacts of COVID-19. We are working as part of the two biggest global studies on COVID-19:

- The Post-hospitalisation COVID-19 study (PHOSP-COVID); a consortium of leading researchers and clinicians working together to understand and improve long-term health outcomes for patients who have been in hospital with confirmed or suspected COVID-19.
- COVID-19 Clinical Neuroscience Study (COVID-CNS) - investigating the neurological and neuropsychiatric effects of COVID-19 to understand who is at risk and to develop strategies on how to treat them. We're looking to further support research into the impacts of long COVID, to further understand the mental health implications.



APPG

We joined the All-Party Parliamentary Group for a Fit and Healthy Childhood. We'll play our part to produce a report on the mental health impact of the COVID-19 pandemic government response on children in the UK. The report due in spring 2021 will layout proposed plans for the recovery of mental health services and research.

Fellows

We are delighted to have secured funding for three new fellows awards. Generous donations from The Rosetrees Foundation, a legacy gift from Jan Tymoteusz Szczuka and supporters of the MQ Foundation will support three early-career scientists in their fields of study, beginning in early 2021.

The areas of study for all three fellows are wide ranging, but each has a core focus on children and young people's mental health.

Participate

Over 82,000 people have visited the Participate site since it launched in November 2019. Throughout 2020 there were 46,000 visitors to the Participate site and 5,996 applications to take part in studies. Additionally, of the volunteers recruited through Participate, there were 43% more applicants from Black and ethnic minority backgrounds than the sector average. This is a hugely important development in better understanding mental health inequality.

One of the most popular Participate studies of 2020 was on the impact of childhood experiences on later coping styles. This online study, run by the University of Manchester, had 672 people take part.

"Advertising via the MQ platform helped us recruit very easily! I believe within a month we were able to reach our anticipated recruitment target which is fantastic! The study aims to understand whether negative life events that happened to people when they were children affect people's metacognitive beliefs and their emotional well-being as an adult."

Metacognitive beliefs are the beliefs people have about their thoughts, and these beliefs are particularly important because they've been seen as a psychological mechanism that may lead to anxiety and depression. Metacognitive beliefs have also been associated with poor coping, increased worrying, and dwelling. The results of this study will be analysed later this year."

Dr Lora Capobianco, PhD., CPsychol
Greater Manchester Mental Health NHS Foundation
Trust & University of Manchester

MQ fellow named one of the BBC's most influential women in the world

Dr. Etheldreda Nakimuli-Mpungu, from Uganda, has been named one of the 100 most influential women in the world in 2020 by the BBC. Etheldreda, who is an MQ Fellow alumna, is changing the lives of people with HIV and depression. Through MQ's grant, Etheldreda conducted a randomised controlled trial and demonstrated that her group support psychotherapy (GSP) programme produced a profound effect on major depression. Almost all of the 568 trial participants who received the intervention achieved remission by six months after treatment, and remained depression-free 12 months later.

To find out more about the international projects MQ is supporting see page 13.



Dr. Etheldreda Nakimuli-Mpungu

Five-year strategy

As we enter this new strategic chapter of MQ's continued growth, we have taken lessons from the past and the research we have invested in, as well as looking to a future of a new global uncertainty.

To transform mental health, we need a truly multi-disciplinary approach. We need input not only from researchers within psychology, psychiatry and neuroscience but also from everyone from anthropology, clinicians, and most importantly people with lived experience of mental health problems.

Over the next five years this will be the underpinning platform on which our work is carried out to see us reach a brighter future of good mental health for all.



1. Growing talent

In order to transform mental health, we need to increase the number of highly skilled, diverse researchers passionate about using their expertise to benefit people's lives.

We support talented early-career researchers with bold ideas from across the globe who aspire to be the next generation of leaders, fully embedded in a multi-disciplinary approach to mental health research.

Over the next five years, MQ will invest in inspiring new talent and expand the capability and quality of research.

2. Investing in impact

By investing in the impact of MQ's research areas, we can create real and sustainable change to the mental health landscape.

By taking radical approaches, driving rapid innovation and focusing on lived experience, MQ can help transform policies, treatments and attitudes.

Over the next five years MQ will invest in research programmes that drive innovation in policy and practice and challenge the status quo.

3. Challenging Inequality

Structural inequalities drastically impact how people experience mental illness and treatments. We will have maximum impact by focusing on the substantial unmet need so that vulnerable groups can flourish.

We will target the rising tide of youth mental illness, the injustice of racial inequalities in mental illness and treatment, and the scandal of lives cut short through failing to integrate mental and physical health.

Over the next five years MQ will invest in research that closes the inequalities gap.

4. Engaging people

MQ uniquely exists to bring people and researchers together to drive forward mental health research.

By engaging a wide and diverse audience in conversations about mental health we can help decrease the stigma attached to the subject and improve access to services and treatments.

Over the next five years, we want to see the number of people actively supporting mental health research increase threefold as well as engage a diverse group of individuals to take part in and inform our research projects.



Our approach

We are committed to setting the highest ethical standards for our research. At MQ we believe that the 'how' is as important as the 'why' and so throughout all our work these core pillars will be in place:



Data-driven science

We will support projects that harness the power of data to transform people's lives. We will continue to galvanise the mental health data science community and transform the policy environment to facilitate effective use of resources through the removal of administrative hurdles to ethical analyses of data.



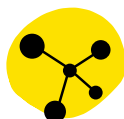
Public and patient involvement and engagement

We will listen to diverse voices to increase understanding of mental health together. Robust research relies on the participation of people with lived experience of mental health problems. We will continue to amplify the voice of experts by experience and ensure they are valued contributors throughout the mental health research landscape.



Sustainable investment

We'll continue to ensure that all of our investments in research and future programmes give those we fund the confidence they need to undertake vital work. We'll also make sure those who give see a real impact for their investment with us. Despite the challenges the pandemic has brought to charities, including MQ, we are confident that the investments we have already made, and will continue to make, will have real impact on people's lives.



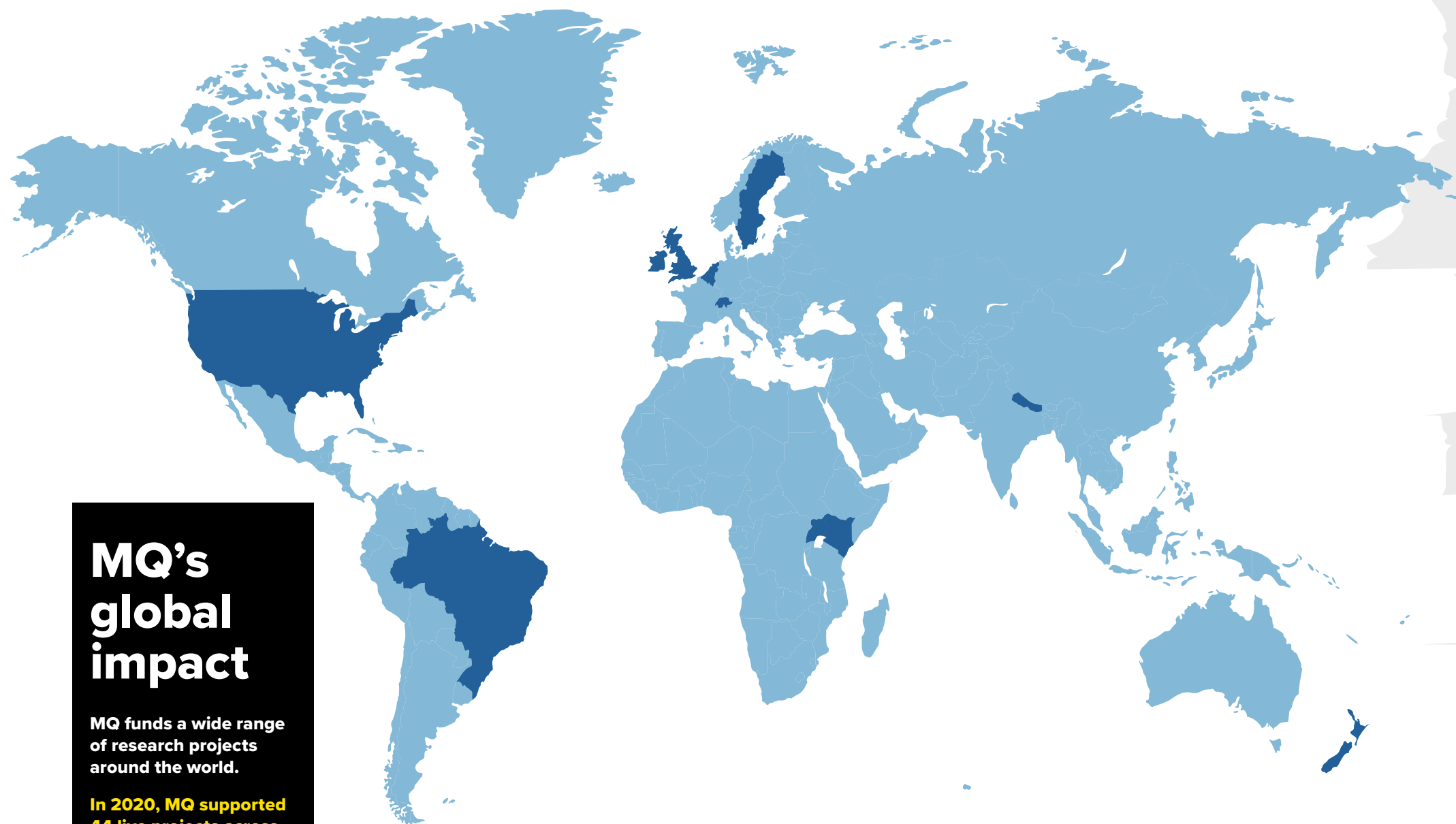
Collaboration and partnership

We're committed to expanding our network of partners and never duplicating work that has already been done. By engaging people from across the mental health ecosystem and collaborating across disciplines we will see a brighter future for mental health.

"The mental health challenges we face across the world are huge. But if we work together, through research, we can tackle them. I have a tremendous sense of optimism when I see the bold research being taken forward by MQ, now propelled by this ambitious call to action."

Professor Emily Holmes, Uppsala University and Karolinska Institutet, Sweden. MQ trustee and Research Committee Chair 2020.





MQ's global impact

MQ funds a wide range
of research projects
around the world.

**In 2020, MQ supported
44 live projects across
six continents.**

MQ's global impact

IDEA – Identifying Depression Early in Adolescence

The publication of this MQ-funded study in January 2020 was a game changer. The study successfully developed a predictive tool that helps recognise the young people who are at high-risk of depression.

This study, run by Dr Valeria Mondelli and her team from King's College London, used data from around the world including Brazil, Nepal and Nigeria. The prediction tool Valeria and her team developed works cross culturally and can be adapted for use worldwide.

Genetic links between epilepsy and mental health conditions

Dr Symon Kariuki from the KEMRI-Wellcome Trust Research programme in Kenya is looking at genetic information from Sub-Saharan African populations to understand more about the links between epilepsy and mental illness.

African populations have a greater diversity in their genes but at the moment, most genetic research involves white people. This novel approach – of studying different ethnicities – offers potential to find important new genetic risk factors, which could impact mental health care on a global scale.

Synaptic Plasticity: A path to more specific treatments for mental illness

Dr Patrick Rothwell and his team from the University of Minnesota are using cutting edge neuroscience to investigate whether conditions such as addiction and depression can be effectively treated by strengthening the connections between different parts of the brain.

Patrick's research will help us to understand more about how pathways in the brain affect specific behaviour of people with mental health problems. If this study is successful, it could lead to improved mental health treatments and may even help to create new ones.

Personal *story*

One in five children experienced some kind of bullying in 2019, but some are more at risk than others.

MQ-funded researcher Dr Jean-Baptiste Pingault, and his team have been researching bullying and mental health since 2017. His study, *Bullying and Mental Health: a Genetically Informative Approach*, investigated whether improving our understanding of the relationship between mental health and bullying could lead to more targeted and effective support for young people.

In 2020 Jean-Baptiste concluded his study which provides unprecedented evidence on the origins and consequences of bullying victimisation.

The project used a large sample of 11,108 twins from the Twins Early Development Study, a longitudinal study collecting data from sets of twins in the UK. Twins who share their genes and environments, such as a family home, have different experiences regarding victimisation.

Jean Baptiste's study found that children with pre-existing risk factors for conditions such as ADHD and depression are more likely to be bullied than their peers. They also suffer longer-term mental health issues as a result, such as anxiety, depression and paranoid thoughts.

These findings came as no surprise to MQ's newest ambassador Ajay Songagara, known by his stage-

A photograph of a man, Ajay Songagara, standing on a city sidewalk. He is wearing a white jacket with 'BRAVES' and 'FM' on it, a black beanie, and white sneakers. He is holding a large white sign that reads 'INCREASE MENTAL HEALTH FUNDING!!!' in black, hand-painted capital letters. The background shows a busy city street with other pedestrians, trees, and buildings, including one with a 'HOUSE OF FRASER' sign. A large, stylized silhouette of a person's head is overlaid on the right side of the image.

Ajay Songagara

“I would spend my time in my room on social media which was the worst thing for me.”

name AJ Soni. Today, AJ is a singer, rapper and spoken word artist who performs at poetry events and has met celebrities such as Rita Ora, Stormzy and Ellie Goulding. But during his time at school, AJ was a target for bullies.

“I’ve been battling with my mental health for 27 years. I didn’t talk until I was seven years old and was very lonely at school. When I was 11, I was diagnosed with dyslexia, learning difficulties and special educational needs. After that, I started high school. That was when the bullying started. I was physically attacked, called names and had chewing gum thrown at me. I went through so much pain and isolation for many years. I lost all confidence and suffered from depression.

I would spend my time in my room on social media which was the worst thing for me.

“I remember my mum used to take me for private treatments as the school did not understand bullying or mental health. When I was 25, I was diagnosed with autism. My escape route has always been music; now I’m standing strong and smiling and looking forward to releasing my first single about my journey.”

Jean Baptiste’s research found that all current interventions focus on stopping the act of bullying itself. His findings show that it is essential to also provide support to the victims of bullying, particularly people like AJ who are vulnerable to mental health conditions, to help them recover quicker and lessen the impact to their long-term mental health.

Jean Baptiste is now working to maximise the impacts of his findings. He is working with the Anna Freud Centre to create essential support resources for children, parents and teachers to distribute to over 3,000 schools. He has collaborated with an expert panel from government agencies to ensure policy impact, with additional input from MQ’s Young People Advisory group. Jean-Baptiste has made a significant contribution to understanding bullying and the anti-bullying movement.

You can read Jean Baptiste’s findings in JAMA Psychiatry, Nature human behaviour and the Psychological Bulletin.



Jean-Baptiste

Financial Review and Strategic Report

Summary

MQ Mental Health Research saw in a successful year given the significant challenges of COVID-19 pandemic. The highlights of 2020 included the appointment of a new permanent CEO, launch of a new five-year strategic framework and the completion of a successful Fellows Awards programme resulting in three successful awardees. Finances continued to move towards sustainability with income generated through the US and UK offices, with two years of seed funding from the Wellcome Trust remaining.

Income

Overall income for the year increased by 50% to £1.99m (2019: £1.32m). Philanthropic income increased by 10% to £0.75m (2019: £0.68m) representing 38% of income (2019: 53%); of which £0.42m is the first income from the US based MQ Foundation's fundraising efforts. Other generated income decreased by 31% to £0.17m (2019: £0.24m) with seed funding draw down from Wellcome Trust representing 40% (2019: 0%) of total income. Some reduction was due to the alterations of plans in light of the pandemic and a lack of challenge events to engage donors. The structuring of new campaigns and pledges from donors point to an increase in income in 2021 with expected recovery of events later in the year as well as robust growth plans for philanthropic income in the UK and US.

Expenditure

MQ Mental Health Research spent a total of £1.92m (2019: £3.32m) in charitable grants and programmes to help understand, treat and prevent mental ill health. The consolidation of the UK team has yielded efficiencies and

will impact future growth positively while ensuring fundraising expenditure £0.43m (2019: £0.49) is kept at a competitive proportion of expenditure.

Recognising the uncertainty of 2021 and the ambitious research goals for 2021-26, the Trustees have retained a portion of the income to be spent on increasing operational delivery over the next year and supporting the launch of new research grants.

Reserves policy

The Trustees review the reserves policy annually. In recognition of global financial uncertainty the Trustees feel the current policy is adequate. The policy requires MQ Mental Health Research to hold reserves (unrestricted funds) to cover a minimum six months' expenses, based on the annual budget as agreed by the Board. This was set at £0.8m based on the 2021 budget excluding fixed assets. At 31 December 2020, the free reserves of the charity amounted to £1.2m. Restricted funds are not included in the reserves policy, as the Trustees have no discretion over how they are spent. If the Trustees choose to designate funds, these will not be included in the reserves policy, as they are held for a designated purpose. All grants awards are retained in designated or restricted funds to ensure the continuity of funding to researchers and institutions.

Funds

At the end of 2020, total funds stood at £3.77m (2019 £4.14m)

- Restricted funds amounted to £0.46m (2019 £0.18m) and are subject to conditions imposed by donors or implied by the nature of an appeal



- Designated funds of £2.08m (2019 £2.22m) are held as awarded research grants
- Unrestricted funds of £1.23m (2019 £1.74m) comprise free reserves equivalent to 9 months based on 2021 budget

Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year-end. We have adequate financial resources and have the structures in place to manage the business risks. In addition, our budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditure. We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future. Further, we believe that there are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern.

Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The risks which face the charity are detailed in its consolidated risk register, which the Trustees keep under active review. Headline Risks in 2021 include:

1. Uncertainty of the ongoing financial and social impact of COVID-19

Mitigation –

The board review stress testing of banking arrangements and have a diversified portfolio of risk. Fundraising efforts are focused on a range of segments and levels to reduce the potential impact of any sector-wide downturn.

2. Risk of losing key personnel due to COVID-19

Mitigation –

Existing HR processes include detailed job descriptions with clear roles and responsibilities which are defined in a matrix structure. In addition, a list of accounts and passwords is securely stored, and once business travel resumes insurance for key staff is already in place. Temp and recruitment agencies have already been sourced in case of an urgent need for staff.

The Trustees believe that appropriate policies to mitigate lower-level day-to-day risks have been adopted. They also believe that key financial systems are in place and appropriate internal controls are maintained for an organisation of the charity's size and complexity. The overall financial and operational control environment is kept under regular review by the CEO and Head of Finance with regular reports provided to the Executive Team and Board.

Corporate Structure and Governance

MQ Mental Health Research, company number 07406055 and charity number 1139916 (England & Wales) and SC046075 (Scotland), is a charitable company limited by guarantee and not having a share capital. The charity is governed by its Memorandum and Articles of Association dated 19 January 2011 and it was incorporated on 13th October 2010. The Memorandum and Articles of Association were revised 12 March 2019. Under the conditions of the guarantee, members' liability is restricted to £1 each. The number of members in 2020 was 9 (2019 7).

MQ Mental Health Research is the owner of a registered trademark and as such through a license agreement licenses The MQ Foundation, a 501c3 non-profit company registered in New York, USA. Additional agreements define the operational and strategic links between the organisations, safeguarding the independence of both entities and their responsibilities for data protection, financial management, safeguarding and strategic operation.



MQ Mental Health Research's charitable objects

The Board has ongoing regard to the public benefit guidance published by the Charity Commission when reviewing the charity's activities and future plans. MQ Mental Health Research continues to make a significant impact in funding and supporting ground-breaking research, convening experts through events and forums and supporting the publication of studies and reports. Regular monitoring and reporting of projects is carried out to ensure that MQ continues to deliver world-class research and is utilising funds in line with the wishes of donors in the UK, US and around the world.

Safeguarding

MQ's safeguarding arrangements are reviewed annually and the Trustees feel that policies in place represent a robust due diligence on those receiving grants, a strong framework to protect vulnerable donors and clear training and support for all staff engaging in frontline activities.

Board and management roles

The MQ Mental Health Research Board of Trustees is legally responsible for the overall control of the charity and for ensuring that it is properly managed.

The Board's principal roles are:

- Approving the mission, strategies, policies and annual business plan
- Appointing and overseeing the CEO
- Monitoring performance and risk management
- Reporting performance with integrity and transparency
- Setting the vision and maintaining high standards of stewardship and values
- Ensuring compliance with UK law and Charity Commission regulations
- Managing its governance processes
- Adding value by advising management
- Representing the interests of MQ Mental Health Research's stakeholders.

The Board delegates responsibility for operational management to the CEO (the Principal Officer), who is responsible for developing the organisation's plans, policies and processes, following Board advice and approval. The Executive Team made up of the Heads of Finance; Research; Marketing, and Philanthropy & Partnerships, support the leadership of the organisation's strategic growth. Salaries of key personnel are benchmarked with external research and agreed by the Board of Trustees.

Fundraising

MQ Mental Health Research complies with the Fundraising Standards Board Requirements and is registered with the Fundraising Regulator, only utilising agencies that are compliant with these standards. MQ does not solicit gifts by telephone or door to door acquisition methods, has received no complaints from any regulator and ensures that all donors receive only the communications they request.

Remuneration policy

MQ's salaries are set within broad pay band structures at each grade, informed by external benchmarking as necessary. The performance of key management personnel is monitored via regular one to one meetings with the CEO (and the CEO with the Chair), assessment against objectives and an annual appraisal process. Any salary awards for key management personnel must be approved by the Chair.

Board composition

The Board comprises independent, unremunerated, non-executive directors (trustees) who have a broad range of skills and experience including scientific, clinical, financial, legal and strategic backgrounds. Recognising the international collaboration of charities, MQ Mental Health Research provides observers in the form of the UK Chair and the UK CEO to the MQ Foundation



Board (total eight members), and in return receives two members from the MQ Foundation Board as full MQ Mental Health Research Trustees (total nine members). As the Board continues to strengthen and expand, the Trustees are committed to the highest standards and encouraging applications from a diverse range of individuals.

Trustee recruitment, induction and training are overseen by working groups of the Board.

Board expenses

No fees or remuneration are paid for serving as a MQ Mental Health Research Board member. MQ Mental Health Research reimburses reasonable expenses incurred in the course of acting as a director. This includes travel and accommodation expenses required to attend meetings, training and orientation costs. Every effort is made to ensure costs are at a minimum.

Board meetings

The Board meets five times a year, with additional meetings as required. The Board has one subcommittee:

- **Research Committee** – made up of nine members of whom four are board members of MQ.

This committee is established under formal terms of reference, which are reviewed annually. The committee includes members with directly relevant experience, including scientific and clinical skills. The Board does not delegate major decision-making powers to the committee.

Auditor

Moore Kingston Smith LLP were appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' Annual Report has been approved by the Trustees on 21 April 2021 and signed on their behalf by



Shahzad Malik
Chairman



Chris Parsons
Trustee

Independent Auditor's Report to the Members of MQ Transforming Mental Health

Opinion

We have audited the financial statements of MQ: Transforming Mental Health ('the company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary



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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.



- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)

Date 21/04/2021

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
Devonshire House
60 Goswell Road
London
EC1M 7AD

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Income from:					
Donations and legacies	2	1,229,903	730,262	1,960,165	1,276,785
Charitable activities	3	–	–	–	18,652
Investments	4	17,271	–	17,271	27,557
Other Government income		–	7,655	7,655	–
Total income		1,247,174	737,917	1,985,091	1,322,994
Expenditure on:					
Raising funds	5	428,096	–	428,096	486,966
Charitable activities					
Scientific research	5	998,951	262,892	1,261,843	2,590,351
Awareness raising and Advocacy	5	465,191	192,449	657,640	728,781
Total expenditure		1,892,238	455,341	2,347,579	3,806,098
Net income for the year and net movement in funds	7	(645,064)	282,576	(362,488)	(2,483,104)
Reconciliation of funds:					
Total funds brought forward		3,955,501	181,910	4,137,411	6,620,515
Total funds carried forward		3,310,437	464,486	3,774,923	4,137,411

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements. Full comparatives of the statement of financial activities are in Note 22.

Balance sheet

As at 31 December 2020

Company no. 07406055

	Note	£	£ 2020	£	£ 2019
Fixed assets:					
Tangible assets	12		3,400		7,207
			3,400		7,207
Current assets:					
Debtors	13	166,936		231,770	
Cash at bank and in hand	18	3,817,740		4,113,801	
		3,984,676		4,345,571	
Liabilities:					
Creditors: amounts falling due within one year	14	(213,153)		(215,367)	
Net current assets			3,771,523		4,130,204
Total net assets	15		3,774,923		4,137,411
The funds of the charity:					
Restricted funds	16	464,486		181,910	
Unrestricted funds (including designated funds)					
Designated funds	16	2,082,127		2,218,657	
General funds	16	1,228,310		1,736,844	
Total funds			3,774,923		4,137,411
Total charity funds			3,774,923		4,137,411

Approved by the trustees on 21 April 2021 and signed on their behalf by:



Shahzad Malik, Chairman



Chris Parsons, Trustee

Statement of cash flows

For the year ended 31 December 2020

	Note	£	£ 2020	£	£ 2019
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	17		(293,642)		(2,547,601)
Cash flows from investing activities:					
Purchase of fixed assets		(2,458)		—	
Fixed asset disposable		39		—	
Transfer from short term deposits		—		1,457	
Net cash provided by / (used in) investing activities			(2,419)		1,457
Change in cash and cash equivalents in the year			(296,061)		(2,546,144)
Cash and cash equivalents at the beginning of the year			4,113,801		6,659,945
Cash and cash equivalents and net debt at the end of the year	18		3,817,740		4,113,801

1 Accounting policies (continued)

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of grants to mental health research organisations, advocacy activities and other educational and awareness-raising activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when MQ upon annual review approve the milestones in the grant agreement are met. Contingent grant liabilities are disclosed when the charity has indicated a willingness to fund a project but the grant milestones have not yet been met (note 20).

When the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable, the total grant commitment is set aside in a designated fund (note 20).

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Scientific research	40%
• Awareness raising and Advocacy	25%
• Cost of raising funds	35%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

1 Accounting policies (continued)

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Leasehold Property	5 years
• Office Equipment	3 years
• Fixtures and Fittings	5 years

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third

party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity 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 method.

q) Estimates and Uncertainties

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating the liability from multi-year grant commitments (see 1(i)).

The trustees do not consider that there are any sources of estimation uncertainty (other than grant commitments Note 20) at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

r) Pensions

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Notes to the financial statements

For the year ended 31 December 2020

1 Accounting policies

a) 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) 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 or note.

b) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

c) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern for at least 12 months from the date of signing these financial statements. The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern, including the impact of the COVID-19 outbreak. The trustees have approved operational plans and expenditures based on income level and are confident of operating the charity well within the parameters of our reserves policy. Accordingly the trustees continue to adopt the going concern basis in the preparation of the financial statements.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

e) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

2 Income from donations and legacies

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Unrestricted £	2019 Restricted £	2019 Total £
Gifts						
Individual Giving	151,449	4,263	155,712	236,796	1,872	238,668
Wellcome Trust*	774,938	124,000	898,938	–	216,000	216,000
Philanthropy and Partnerships	293,516	453,789	747,305	355,091	322,390	677,481
Co–Funding	–	148,210	148,210	–	144,636	144,636
Legacies	10,000	–	10,000	–	–	–
	1,229,903	730,262	1,960,165	591,887	684,898	1,276,785

*Under the Wellcome Trust's Grant Letter of 16th January 2012, at the balance sheet date, the charity had drawn down £20m. The company can in due course (and subject to compliance with the requirements set out in the grant letter), drawdown, in aggregate, a further £2.37m (2019: £0).

3 Income from charitable activities

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Unrestricted £	2019 Restricted £	2019 Total £
Contributions towards scientific meetings	–	–	–	18,652	–	18,652

4 Income from investments

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Unrestricted £	2019 Restricted £	2019 Total £
Bank interest received	17,271	–	17,271	27,557	–	27,557
	17,271	–	17,271	27,557	–	27,557

5 Analysis of expenditure

	Charitable activities					
	Cost of raising funds	Scientific research £	Awareness raising and Advocacy £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 8)	157,592	214,754	309,973	19,005	114,028	815,352
Grant-making (Note 6)	–	812,843	–	–	–	812,843
Other direct costs	132,603	74,887	244,516	9,257	89,314	550,577
Office costs	78	–	164	3	160,168	160,413
Audit	–	–	–	13,356	–	13,356
Bank charges	12	–	396	–	1,227	1,635
Foreign exchange (gains) and losses	–	–	–	–	(26,535)	(26,535)
Meetings	1,634	128	5,321	102	330	7,515
Legal fees	–	3,600	–	8,823	–	12,423
	291,919	1,106,212	560,370	50,546	338,532	2,347,579
Support costs	118,486	135,413	84,633	–	(338,532)	–
Governance costs	17,691	20,218	12,637	(50,546)	–	–
Total expenditure 2020	428,096	1,261,843	657,640	–	–	2,347,579

Of the total expenditure, £1,892,238 was unrestricted (2019: £3,066,497) and £455,341 was restricted (2019: £739,601).

5 Analysis of expenditure (continued)

		Charitable activities				
	Cost of raising funds	Scientific research £	Awareness raising and Advocacy £	Governance costs £	Support costs £	2019 Total £
Staff costs (Note 8)	260,517	315,335	245,562	–	69,710	891,124
Grant-making (Note 6)	–	1,923,252	–	–	–	1,923,252
Other direct costs	66,381	120,603	382,833	17,015	37,557	624,389
Office costs	2,059	124	151	134	191,818	194,286
Audit	–	–	–	12,900	–	12,900
Bank charges	–	–	230	17	1,723	1,970
Foreign exchange (gains) and losses	83	335	23	–	30	471
Meetings	32,761	84,112	5,778	9,447	7,325	139,423
Legal fees	–	3,544	4,800	9,939	–	18,283
	361,801	2,447,305	639,377	49,452	308,163	3,806,098
Support costs	107,857	123,265	77,041	–	(308,163)	–
Governance costs	17,308	19,781	12,363	(49,452)	–	–
Total expenditure 2019	486,966	2,590,351	728,781	–	–	3,806,098

6 Grant making (Grants to institutions)

	2020 £	2019 £
Cost		
Fellows Programme	595,955	559,567
PsyIMPACT	89,883	463,024
Data Science	47,009	119,966
Brighter Futures	79,996	780,695
At the end of the year	812,843	1,923,252

6 Grant making (Grants to institutions) (continued)

The Fellows programme supports the brightest and best early career scientists who are asking challenging questions that will contribute to transformative advances in mental health.

The PsylMPACT programme supports innovative research to develop and test psychological treatments, getting people the right treatments faster.

The Data Science programme awards grants to help realise the huge potential in the near term to harness data science to drive forward research.

The aims of MQ's Brighter Futures programme stem from the fundamental belief that research can change the trajectory of mental illness in young people, tackling the life-long impacts of many conditions and working towards a world where mental illness may one day be made preventable.

7 Net income for the year

This is stated after charging / (crediting):

	2020	2019
	£	£
Depreciation	6,226	10,693
Property lease rentals	114,000	134,140
Auditors' remuneration (excluding VAT)	11,130	10,750
Foreign exchange (gains)/ losses	(26,535)	471

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	719,822	783,161
Social security costs	64,182	76,043
Employer's contribution to defined contribution pension schemes	31,348	31,920
	815,352	891,124

Included in the Salaries and wages redundancy payments made during the year amounted to £10,000 (2019: £67,916) as a result of a restructuring of the Charity.

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2020 No.	2019 No.
£60,000 – £69,999	1	1
£70,000 – £79,999	–	1
£80,000 – £89,999	–	2
£90,000 – £99,999	1	–

The pension contributions paid to higher employees amounted to £7,047 (2019: £12,363).

The total employee benefits (including employers' NI and pension contributions) of the key management personnel (CEO, Head of Finance, Head of Research, Head of Philanthropy & Partnerships, Head of HR and Head of Marketing) were £366,959 (2019: £476,594).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £10,336 (2019: £9,536) incurred by 7 (2019: 7) members relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 No.	2019 No.
Raising funds	4	5
Scientific research (Including 2 Part time staff)	3	4
Awareness raising and advocacy	5	5
Support (Including 2 Part time staff)	4	3
	16	17

10 Related party transactions

Aggregate donations from trustees were £38,500 (2019: £115,000).

In 2019 Helen Munn resigned as Trustee after agreeing, with the Board, to take on the role of interim CEO from 4 November 2019. After appointing Lea Milligan as CEO, Helen was appointed as Trustee in June 2020.

Professor Peter B Jones is a trustee of the Charity. He was a co-applicant on a grant to the University of Cambridge, which was awarded £49,980 of grant funding during the year ended 31 December 2018. He was not involved in the grant funding decisions process and is a name only applicant on this grant. During 2019, £44,982 was paid to the university and final payment will be made in 2021.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At the start of the year	9,033	62,916	71,949
Additions in year	–	2,458	2,458
Disposals in year	–	(39)	(39)
At the end of the year	9,033	65,335	74,368
Depreciation			
At the start of the year	8,039	56,703	64,742
Charge for the year	437	5,789	6,226
Eliminated on disposal	–	–	–
At the end of the year	8,476	62,492	70,968
Net book value			
At the end of the year	557	2,843	3,400
At the start of the year	994	6,213	7,207

13 Debtors

	2020 £	2019 £
Trade debtors	—	114,275
Other debtors	57,000	57,000
Accrued Income	24,942	1,245
Prepayments	84,994	59,250
	166,936	231,770

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	26,054	40,641
Other creditors	1,813	2,803
Grant Accruals	107,999	158,896
Other Accruals	77,287	13,027
	213,153	215,367

15 Analysis of net assets between funds

a) At 31 December 2020	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	3,400	3,400
Current assets	464,486	3,520,190	3,984,676
Current liabilities	–	(213,153)	(213,153)
Net assets at the end of the year	464,486	3,310,437	3,774,923

b) At 31 December 2019	Restricted £	Unrestricted £	Total funds £
Tangible fixed assets	–	7,207	7,207
Current assets	181,910	4,163,661	4,345,571
Current liabilities	–	(215,367)	(215,367)
Net assets at the end of the year	181,910	3,955,501	4,137,411

16 Movements in funds

a) Year ended 31 December 2020	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures ADP	–	240	(240)	–	–
Brighter Futures IDEA	–	1,000	–	–	1,000
Fellows	–	571,766	(212,668)	–	359,098
Nick Wilkes Fund	100	–	(100)	–	–
Awareness raising	–	100,000	(100,000)	–	–
Howell Jadwiga Fund	146,617	–	(42,229)	–	104,388
Participate	35,193	57,256	(92,449)	–	–
Other Government grant	–	7,655	(7,655)	–	–
Total restricted funds	181,910	737,917	(455,341)	–	464,486
Unrestricted funds:					
Designated funds:					
Grant commitments	2,218,657	–	(809,467)	672,937	2,082,127
Total designated funds	2,218,657	–	(809,467)	672,937	2,082,127
General funds	1,736,844	1,247,174	(1,082,771)	(672,937)	1,228,310
Total unrestricted funds	3,955,501	1,247,174	(1,892,238)	–	3,310,437
Total funds	4,137,411	1,985,091	(2,347,579)	–	3,774,923

16 Movements in funds (continued)

b) Year ended 31 December 2019	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfer £	At the end of the year £
Restricted Funds					
Brighter Futures ADP	79,996	35,240	(115,236)	–	–
Data Science	–	46,331	(46,331)	–	–
Fellows	10,000	230,136	(240,136)	–	–
Nick Wilkes Fund	–	100	–	–	100
PsyImpact	–	10,316	(10,316)	–	–
Mental Health Science Meeting	–	10,031	(10,031)	–	–
Howell Jadwiga Fund	146,617			–	146,617
Participate	–	352,744	(317,551)	–	35,193
	236,613	684,898	(739,601)	–	181,910
Unrestricted funds:					
Designated funds:					
Grant commitments	4,169,532	–	(1,950,875)	–	2,218,657
Total designated funds	4,169,532	–	(1,950,875)	–	2,218,657
General funds	2,214,370	638,096	(1,115,622)	–	1,736,844
Total unrestricted funds	6,383,902	638,096	(3,066,497)	–	3,955,501
Total funds	6,620,515	1,322,994	(3,806,098)	–	4,137,411

16 Movements in funds (continued)

Purposes of restricted funds

Brighter Futures Foundation	This fund supports the start up of our Brighter Futures programme
Brighter Futures IDEA	This fund contributes money toward the IDEA of the Brighter Futures project
Brighter Futures ADP	This fund contributes money toward the Adolescent Data Platform workstream of the Brighter Futures project
Brighter Futures HOPES	This fund contributes money toward the HOPES workstream of the Brighter Futures project
Data Science	This fund is used to help fund our data science programme
Fellows	This fund helps to pay for new and existing MQ Fellows
PsyImpact	This fund helps to pay for our PsyImpact programme
Mental Health Science Meeting	It is an annual event which bring together scientists, mental health stakeholders and policy-makers from across the UK and beyond.
Participate	A digital hub for mental health research, providing an accessible online portal to connect the research world to those with lived experience.
Nick Wilkes Fund	The Nick Wilkes Fund represents money received in 2014/2015 in honour of Nick Wilkes, a young man who lost his life to bi-polar disorder. This fund is being spent on research.
Howell Jadwiga Fund	This fund helps to pay for our Borderline Personality Disorder project

Purposes of designated funds

Grant commitments represent amounts awarded in relation to our Fellows, Data Science, Bright Futures and PsyIMPACT programmes payable in future years but where there is uncertainty of the timing of the grant payment as it is dependent on milestones being achieved.

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	(362,488)	(2,483,104)
Depreciation charges	6,226	10,693
Decrease/(increase) in debtors	64,834	61,222
(Decrease) / Increase in creditors	(2,214)	(136,412)
Net cash provided by / (used in) operating activities	(293,642)	(2,547,601)

18 Analysis of cash and cash equivalents and changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	4,113,801	(296,061)	3,817,740
Overdraft, Loan and Finance Lease	—	—	—
Total cash and cash equivalents	4,113,801	(296,061)	3,817,740

19 Commitments

The charity's total future minimum lease payments under non–cancellable leases is as follows for each of the following periods

	Land & Buildings 2020 £	Other 2020 £	Land & Buildings 2019 £	Other 2019 £
Within one year	86,640	6,438	91,935	8,129
Two to five years	311,904	377	404,516	6,261
Over five years	–	–	18,387	–
	398,544	6,815	514,838	14,390

20 Grant commitments

At 31 December 2020, the charity has committed to future expenditure amounting to £2,082,127 (2019 – £2,218,657) in relation to its Fellows, Data Science, Brighter Futures and PsyIMPACT programmes. The movements on these commitments are as below.

	2020 £	2019 £
Balance at the start of the year	2,218,657	4,169,532
New grants committed to	672,937	–
Exchange Rate differences/(write back)	3,376	(27,623)
Expended in the year	(812,843)	(1,923,252)
Balance at the end of the year	2,082,127	2,218,657
These commitments are expected to be payable as follows		
In one year	1,034,844	1,194,219
In two to five years	1,047,283	1,024,438
Total	2,082,127	2,218,657

20 Grant commitments (continued)

The grant commitments are not fully recognised in the year they are committed, as they are subject to annual progress review before further instalments are released. The amounts accounted for in the year are those MQ deem the milestones in the grant agreement have been met.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Statement of financial activities (incorporating an income and expenditure account)

	Note	Unrestricted £	Restricted £	2019 Total £
Income from:				
Donations and legacies	2	591,887	684,898	1,276,785
Charitable activities	3	18,652	–	18,652
Investments	4	27,557	–	27,557
Total income		638,096	684,898	1,322,994
Expenditure on:				
Raising funds	5	486,966	–	486,966
Charitable activities				
Scientific research	5	1,850,750	739,601	2,590,351
Awareness raising and Advocacy	5	728,781	–	728,781
Total expenditure		3,066,497	739,601	3,806,098
Net income for the year and net movement in funds	7	(2,428,401)	(54,703)	(2,483,104)
Reconciliation of funds:				
Total funds brought forward		6,383,902	236,613	6,620,515
Total funds carried forward		3,955,501	181,910	4,137,411

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Research committee members

Chair

Prof Emily A. Holmes PhD DCLinPsych, Distinguished Professor, Uppsala University and Karolinska Institutet

Trustee Members

Dr Helen L. Munn OBE, Interim Chair, UKRI Research Integrity Committee

Professor Irene Tracey FMedSci, Nuffield Chair of Anaesthetic Science; Warden of Merton College, University of Oxford

Professor Peter B. Jones MD PhD FMedSci, Professor of Psychiatry, University of Cambridge, Director, NIHR Applied Research Collaboration, East of England, Hon consultant psychiatrist & non-executive director, CPFT

Members

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Dr Helen L. Fisher PhD PGCAP AFBPsS CPsychol FHEA, Reader in Developmental Psychopathology and Chartered Research Psychologist, King's College London

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"We supported the great work being carried out by MQ Mental Health Research: to have a better understanding and lessening of the stigma of mental illness and the research they undertake to better understand how the brain works to alleviate symptoms. The COVID-19 pandemic highlights the great need to understand and effectively treat mental illnesses."

WHSmith Plc

"Every time I attend an event with MQ, I come away filled with excitement and hope for the future that with the work of MQ, and the scientists they support, we will get as good at treating mental illness as we are at treating physical illness. If you have even a tiny bit of interest in mental health, I can't recommend the MQ events strongly enough to help to understand how MQ and you can make a difference."

"Mental health is one of the biggest issues facing the world today no matter where you live. Without research the long-term fight is hopeless. MQ is a star in this research and deserves funding from all of us!"

John Herrmann, MQ Trustee and MQ Foundation Chair

Thank you



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