

Charity registration number 1175160

Company registration number 10722435 (England and Wales)

ACTION FOR HAPPINESS
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

ACTION FOR HAPPINESS

(A COMPANY LIMITED BY GUARANTEE)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms V A King Professor P R G Layard Sir Anthony Seldon Mr G J Mulgan Ms Julie Bentley Radha Modgil Michiel Nolet	(Appointed 23 June 2022) (Appointed 23 June 2022) (Appointed 23 June 2022)
Secretary	Mr M Williamson	
Charity number	1175160	
Company number	10722435	
Registered office	WeWork 3 Waterhouse Square 138 Holborn London EC1N 2SW	
Independent examiner	Jean Ellis BA FCA CTA DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	

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**ACTION FOR HAPPINESS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Action for Happiness is a charity which promotes mental health and wellbeing through the provision of information, evidence-based resources, public events, educational services, training and community activities.

Our vision is a happier and kinder society, with far fewer people suffering due to mental ill health or social isolation and far more people feeling good, functioning well and helping others. We are backed by leading experts and all of our activities are grounded in the latest scientific research.

Please note: The Action for Happiness project was originally launched in 2011, based within The Young Foundation (Registered Charity 274345). In 2017 Action for Happiness was established as an independent Company Limited by Guarantee (10722435) and registered charity (1175160) and on 31 December 2017 all assets, liabilities and Intellectual Property were transferred to the new entity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

- Completed a successful fifth full year of operation as an independent charity.
- Expanded and diversified our Board with three new Trustees bringing significant additional expertise and enhanced governance.
- Developed and signed off with Trustees a new Strategic Plan for the next 5 years.
- Finished development of our new website platform and launched this successfully, leading to significant increases in online engagement.
- Continued providing our successful action program of monthly calendars and daily action ideas, which have now been used by over 40 million people.
- Expanded our successful webinar series holding a further 21 online events during 2022, with over 95,000 people taking part.
- Launched an enhanced version of our smartphone app, including integration of our programs and local groups. The app now has a community of 200,000 registered users.
- Rolled out a new enhanced version of our "10 Days of Happiness" program with new video content. Over 100,000 people have now taken the program since launch.
- Completed development of our new "Happiness Habits" 6-week community course and then launched and evaluated an initial set of courses led by our volunteers.
- Continued to support and deliver our network of volunteer-led online groups, including peer-to-peer networking to bring together our community of volunteer leaders.
- Completed development of our new 4-module online Volunteer Training program.
- Grew our online/social media community to over 1.62 million followers and also added 83,000 more Action for Happiness members, taking the total to 360,000 people.
- Reached a total of over 9.5 million website visitors to date at www.actionforhappiness.org
- Continued to support primary schools with the 'Keys to Happier Living' Toolkit.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

- Hosted the wellbeing tent with volunteers and guest speakers at Towersey festival.
- Supported on-going expansion of local Action for Happiness hubs.
- Continued to provide education, resources and training for organisations.
- Enhanced accessibility of our video content by providing more captions and subtitles.
- Took further steps to embed our policy on Diversity, Equity, Inclusion and Belonging (DEIB).
- Expanded our provision of Safeguarding support via our new Community Wellbeing and Safeguarding Manager role and an expanded volunteer community support team.
- Received public recommendation from Founders Pledge as a “highly cost-effective way of improving people’s wellbeing” following an independent review of our activities.

Financial review

The year’s activities resulted in a net deficit of £119,279 compared with a surplus of £217,082 in 2021. We had anticipated that expenditure would exceed income during the year and this was enabled by having ended the previous period with a higher than normal level of reserves.

The total amount transferred by Gift Aid from the subsidiary company Action for Happiness Trading Limited for the year amounted to £19,681. Minimal funds are retained in the subsidiary, the operating expenses of which are paid by the charity.

The principal sources of income to Action for Happiness during 2022 were:

- Grant funding
- Donations made by Action for Happiness supporters
- Income from Educational Services provided to organisations.

Reserves policy

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to at least six month’s expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company’s current activities while consideration is given to ways in which additional funds may be raised. The current level of reserves was reduced during 2022 but still remains higher than usual. Reserves will continue to be put to use in 2023 and are expected to return to the normal level of around six month’s expenditure over the coming years.

Risk management

The charitable company maintains a Risk Register which is reviewed regularly by the Board. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Future plans

Plans for 2023 include:

- Rolling out our new Volunteer Training program to train hundreds of new volunteers.
- Scaling up delivery of our new Happiness Habits courses, led by newly trained volunteers.
- Developing new capabilities in shareable video content and social media engagement.
- Enhancing “user journeys” to maximise engagement with our existing community.
- Continuing to provide our action program of monthly calendars and daily actions.
- Continuing to engage large audiences via regular events/webinars.
- Continuing to grow and support the community of users on our smartphone app.
- Continuing to provide our online program and exploring options for new program content.
- Continuing to enhance and support our local Action for Happiness groups and local hubs.
- Continuing to grow the overall reach of the Action for Happiness community.
- Continuing to enhance and expand our provision of Safeguarding support as needed.
- Further growing our team capacity to respond to increasing demand for services.
- Raising new funds to support our future scale-up plans.

Structure, governance and management

The charitable company is a company limited by guarantee.

The trustees, four of whom are also the directors for the purpose of company law, and who served during the year were:

Ms V A King

Professor P R G Layard

Sir Anthony Seldon

Mr G J Mulgan

Ms Julie Bentley

(Appointed 23 June 2022)

Radha Modgil

(Appointed 23 June 2022)

Michiel Nolet

(Appointed 23 June 2022)

The Board of Trustees has overall responsibility for the fulfilling the charity's aims.

The recruitment and appointment of Trustees was based on ensuring an appropriate balance of expertise, skills and commitment to the mission of the charity. Three new Trustees were appointed during the year, following an extensive recruitment process. One of the original Action for Happiness co-founding Trustees also stepped down during the year. The Board of Trustees also anticipates appointing one or more additional Trustees during the years ahead to bring in additional skills and expertise as required.

Day to day management of the operation of the charity is delegated from the Board to the Chief Executive (Mark Williamson). The Board of Trustees meets at least once per quarter and the Chief Executive reports regularly to the Trustees on the operations, plans and financial position of the organisation, as appropriate.

Action for Happiness is supported by a range of contractors and volunteers to fulfil its mission. Contractors are recruited on a fixed term basis with the skills required to fulfil specific needs. All volunteers are carefully screened and supported in fulfilling their roles, for example in running courses in their local communities.

The trustees' report was approved by the Board of Trustees.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

Richard Layard

Professor P R G Layard

Trustee

Dated: 10 May 2023

**ACTION FOR HAPPINESS
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF ACTION FOR HAPPINESS**

I report to the trustees on my examination of the financial statements of Action for Happiness (the charity) for the year ended 31 December 2022.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Jean Ellis BA FCA CTA
DSG

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 10 May 2023

ACTION FOR HAPPINESS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Notes							
<u>Income and endowments from:</u>							
Donations and grants	3	125,542	130,500	256,042	84,856	735,000	819,856
Charitable activities	4	69,888	-	69,888	108,643	-	108,643
Investments	5	20,788	-	20,788	1,272	-	1,272
Other income	6	887	-	887	770	-	770
Total income		217,105	130,500	347,605	195,541	735,000	930,541
<u>Expenditure on:</u>							
Charitable activities	7	314,842	152,041	466,883	-	713,459	713,459
Net (expenditure)/income for the year/							
Net movement in funds		(97,737)	(21,541)	(119,278)	195,541	21,541	217,082
Fund balances at 1 January 2022		721,674	21,541	743,215	526,133	-	526,133
Fund balances at 31 December 2022		623,937	-	623,937	721,674	21,541	743,215

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	12		1		1
Current assets					
Debtors	14	23,051		3,999	
Cash at bank and in hand		619,101		776,493	
		<u>642,152</u>		<u>780,492</u>	
Creditors: amounts falling due within one year	15	<u>(18,216)</u>		<u>(37,278)</u>	
Net current assets			623,936		743,214
Total assets less current liabilities			<u>623,937</u>		<u>743,215</u>
Income funds					
Restricted funds	17		-		21,541
Unrestricted funds			623,937		721,674
			<u>623,937</u>		<u>743,215</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 10 May 2023

Richard Layard

Professor P R G Layard
Trustee

Company registration number 10722435

ACTION FOR HAPPINESS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Action for Happiness is a private company limited by guarantee incorporated in England and Wales. The registered office is WeWork, 3 Waterhouse Square, 138 Holborn, London, EC1N 2SW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements do not incorporate the results, assets and liabilities of the charity's wholly owned subsidiary, Action for Happiness Trading Limited. Consolidated accounts have not been prepared as these would not be materially different from the single entity financial statements as presented.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, once there is a legal or constructive obligation to make a payment.

Charitable activities include the cost of providing courses and hosting events, and include both direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to charitable activities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Irrecoverable VAT

The charity is not required to register with HMRC for VAT. All resources expended are recognised gross of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	50,542	-	50,542	59,856	-	59,856
Grants receivable	75,000	130,500	205,500	25,000	735,000	760,000
	<u>125,542</u>	<u>130,500</u>	<u>256,042</u>	<u>84,856</u>	<u>735,000</u>	<u>819,856</u>
Grants receivable for core activities						
The Segelman Trust	50,000	-	50,000	-	-	-
Founder's Pledge	-	130,500	130,500	-	735,000	735,000
Dreamchasing	25,000	-	25,000	25,000	-	25,000
	<u>75,000</u>	<u>130,500</u>	<u>205,500</u>	<u>25,000</u>	<u>735,000</u>	<u>760,000</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	2022	2021
	£	£
Event income	63,075	94,595
Course income	4,991	1,871
Educational services	1,822	12,177
	<u>69,888</u>	<u>108,643</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income from subsidiary	19,681	629
Interest receivable	1,107	643
	<u>20,788</u>	<u>1,272</u>

The charity owns 100% of the share capital of Action for Happiness Trading Limited which is a company limited by shares held for the purpose of delivering the charitable trading activities of the charity.

6 Other income

	2022	2021
	£	£
Other income	<u>887</u>	<u>770</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	2022	2021
	£	£
Staff costs	208,022	236,966
Costs of providing courses	37,532	41,007
Event costs	16,820	37,321
Educational services	295	352
Communication	44,377	83,739
Community development	47,449	180,846
Other Operations	-	8,325
	<u>354,495</u>	<u>588,556</u>
Share of support costs (see note 8)	111,116	123,667
Share of governance costs (see note 8)	1,272	1,236
	<u>466,883</u>	<u>713,459</u>
Analysis by fund		
Unrestricted funds	314,842	-
Restricted funds	152,041	713,459
	<u>466,883</u>	<u>713,459</u>

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Bank fees	173	-	173	143	-	143
General expenses	5,870	-	5,870	8,414	-	8,414
Online services	85,012	-	85,012	91,811	-	91,811
Printing and stationery	870	-	870	2,560	-	2,560
Travel	67	-	67	272	-	272
Rent	16,162	-	16,162	17,590	-	17,590
Insurance	1,223	-	1,223	1,182	-	1,182
Legal and professional	1,739	-	1,739	1,695	-	1,695
Independent examination	-	1,272	1,272	-	1,236	1,236
	<u>111,116</u>	<u>1,272</u>	<u>112,388</u>	<u>123,667</u>	<u>1,236</u>	<u>124,903</u>
Analysed between						
Charitable activities	<u>111,116</u>	<u>1,272</u>	<u>112,388</u>	<u>123,667</u>	<u>1,236</u>	<u>124,903</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2021: £nil).

During the year, the trustees received a total of £nil (2021: £nil) in expenses from the charity.

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Administration	2	3
	<u> </u>	<u> </u>

In addition to the 2 employees noted above, expenditure also includes payment to 2 subcontractors (2021: 1) giving a total workforce of 4 full time equivalents (FTEs)..

Employment costs	2022	2021
	£	£
Wages and salaries	163,893	190,775
Social security costs	20,687	21,325
Other pension costs	23,442	24,866
	<u> </u>	<u> </u>
	208,022	236,966
	<u> </u>	<u> </u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022	2021
	Number	Number
£110,001 to £120,000	1	1
	<u> </u>	<u> </u>

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

12 Fixed asset investments

			Other investments
Cost or valuation			
At 1 January 2022 & 31 December 2022			1
Carrying amount			
At 31 December 2022			1
At 31 December 2021			1
		2022	2021
Other investments comprise:	Notes	£	£
Investments in subsidiaries	13	1	1

This represents the investment in the subsidiary company, Action for Happiness Limited, which is owned by the charity for the purpose of delivering charitable activities.

13 Subsidiaries

Details of the charity's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Action for Happiness Trading Limited	Wework, 3 Waterhouse Square, 138 Holborn, London, EC1N 2SW	Provision of services	Ordinary	100.00	

During the year the turnover of Action for Happiness Trading Limited was £82,924 and expenditure incurred was £63,243 resulting in a profit of £19,681. All of the profit was distributed up to the charity in the period.

14 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Amounts owed by subsidiary undertakings	20,681	1,629
Prepayments and accrued income	2,370	2,370
	<u>23,051</u>	<u>3,999</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	5,309	6,127
Other creditors	11,707	29,951
Accruals and deferred income	1,200	1,200
	<u>18,216</u>	<u>37,278</u>

16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021
	£	£	£	£	£
Fund balances at 31 December 2022 are represented by:					
Investments	1	-	1	1	1
Current assets/(liabilities)	623,936	-	623,936	721,673	743,214
	<u>623,937</u>	<u>-</u>	<u>623,937</u>	<u>721,674</u>	<u>743,215</u>

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at	Movement in funds		Balance at	Movement in funds		Balance at
	1 January 2021	Incoming resources	Resources expended	1 January 2022	Incoming resources	Resources expended	31 December 2022
	£	£	£	£	£	£	£
Founders Pledge	-	735,000	(713,459)	21,541	130,500	(152,041)	-

Founders Pledge

Development and scale-up of new resources and services to support mental wellbeing for individuals and communities in response to the Covid pandemic.

ACTION FOR HAPPINESS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

18 Related party transactions

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	16,034	7,840
	<u> </u>	<u> </u>