

**Company registration number 10722435 (England and Wales)**

**Charity registration number 1175160 (England and Wales)**

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

# **ACTION FOR HAPPINESS**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Ms J Bentley	
	Ms V King	
	Professor P Layard	
	Mr M Nolet	
	Ms J Gibbons	(Appointed 2 December 2025)
	Ms L Sampson	(Appointed 2 December 2025)
	Mr D Stead	(Appointed 2 December 2025)
	Ms K Thompson	(Appointed 2 December 2025)
<b>Secretary</b>	Mr M Williamson	
<b>Charity number</b>	1175160	
<b>Company number</b>	10722435	
<b>Registered office</b>	WeWork 3 Waterhouse Square 138 Holborn London EC1N 2SW	
<b>Independent examiner</b>	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)**

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# **ACTION FOR HAPPINESS**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2025**

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The trustees present their annual report and financial statements for the year ended 31 December 2025.

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.

#### *Public benefit*

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

#### **Achievements and performance**

##### *Significant activities and achievements against objectives*

- Expanded our Board of Trustees to bring in a new Chair and add additional Board-level expertise in strategy, communications and fundraising.
- Grew our member community by 76,000 people to a total of 780,000 members.
- Grew our combined annual online social reach to over 36m people.
- Continued providing our action program of monthly calendars and daily action ideas.
- Supported over 190,000 people to take at least one measurable wellbeing action.
- Continued to grow our app community to over 270,000 registered users.
- Collaborated with Oxford Wellbeing Research Centre on the launch of the World Happiness Report 2025 as part of our campaign for International Day of Happiness (20 March 2025).
- Held 13 live events with guest speakers attracting over 35,000 participants.
- Recruited another 25,000 people to take our '10 Days of Happiness' program.
- Developed and piloted a new AI-powered 'Daily Check-In' program.
- Created and shared over 60 new video reels across our social media platforms.
- Continued to deliver our Volunteer Training program and recruited 1,065 new volunteers.
- Delivered 160 'Happiness Habits' courses including the relaunch of in-person courses.
- Supported on-going delivery of 115 volunteer-led local groups meeting monthly.

**ACTION FOR HAPPINESS  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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**Achievements and performance (*continued*)**

- Continued to provide resources for schools/parents to support Children and Young People.
- Continued to support on-going local hubs including in Northampton and Brighton.
- Continued to provide education, resources and training for organisations.
- Continued to provide Safeguarding support, signposting and reporting.
- Joined Race For Impact as an approved charity in the Mental Health cause area.
- Developed an AI Policy, setting out principles for the responsible use of AI in our work.
- Created a new 3-year Strategic Plan for 2026-2028.

**Financial review**

The year's activities resulted in a deficit of £125,009 compared with a surplus of £13,752 in 2024, broadly in line with our expectations.

The total amount transferred by Gift Aid from the subsidiary company Action for Happiness Trading Limited for the year amounted to £2,232 (2024: £2,749). 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 the year were:

- Philanthropic giving by Action for Happiness supporters
- Voluntary donations made by people attending live events and local courses
- Grant funding

***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.

At 31 December 2025, total unrestricted funds amounted to £548,512, of which £100,000 has been designated for technology capabilities and £50,000 for strategic development. Free reserves therefore amounted to approximately £399,000 at the year end. Based on current expenditure levels, this remains broadly in line with the trustees' target level of at least six months' expenditure.

Reserves were intentionally drawn down during the year to cover the net deficit in 2025, and the trustees will continue to keep the level of free reserves under review as they invest in the charity's strategic priorities during 2026.

***Major risks***

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.

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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**Plans for future periods**

Our key strategic aims for the next 3 years are to:

- Grow our action-taking community, aiming to maximise the number of people who are regularly engaged and taking part.
- Develop an outstanding user offer, aiming to simplify and refresh our mix of programs into a cohesive offer that meets user needs.
- Evolve our programs responsibly, continuing to provide the services people rely on, while embracing new technology and moving towards new offerings.
- Maximise our fundability, aiming to broaden our sources of funding across trusts and foundations, major donors, member donations and partnerships.

Specific objectives in 2026 include:

- Build clear understanding of current user needs, via member surveys and in-depth analysis.
- Deliver the first draft of a redesigned integrated user offer and a plan for validating it.
- Invest in digital infrastructure and skills to support innovation and piloting new programs.
- Establish a new Fundraising Working Group with Trustees to enhance our fundraising.
- Raise additional funds to support our on-going delivery and strategic plans.
- Run 1-2 focused public/media campaigns, including the International Day of Happiness.
- Continue to grow the AfH member community to over 850,000 members
- Continue to deliver our core interventions, including our Website, Calendars with daily actions, Talks, smartphone App and 10 Days of Happiness online program.
- Continue creating engaging social content and reels, including piloting new content or formats to reach priority audiences
- Maintain volunteer acquisition and continue delivery of courses and local groups.
- Continue to provide and adapt our Safeguarding processes and support as needed.

**Structure, governance and management**

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms J Bentley	
Ms V King	
Professor P Layard	
Dr R Modgil	(Resigned 2 December 2025)
Mr M Nolet	
Ms J Gibbons	(Appointed 2 December 2025)
Ms L Sampson	(Appointed 2 December 2025)
Mr D Stead	(Appointed 2 December 2025)
Ms K Thompson	(Appointed 2 December 2025)

**ACTION FOR HAPPINESS  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

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*Qualifying third party indemnity provisions*

All trustees are covered by the charity's professional indemnity insurance.

*Other matters*

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.

In December 2025 the role of Chair of Trustees was handed over from Richard Layard, one of the original co-founders, to Judy Gibbons. Richard remains an active Trustee and Board member.

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.

**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.

Ms J Gibbons

**Trustee**

20 April 2026

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
***FOR THE YEAR ENDED 31 DECEMBER 2025***

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The trustees, who are also the directors of Action for Happiness for the purpose of company law, 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 affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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

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I report to the trustees on my examination of the financial statements of Action for Happiness (the charity) for the year ended 31 December 2025.

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.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 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. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. 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 Companies Act 2006.
- 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 Companies Act 2006 other than any requirement that the financial statements 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 financial statements 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: 20 April 2026

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

**FOR THE YEAR ENDED 31 DECEMBER 2025**

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Income and endowments from:</b>			
Donations and legacies	3	302,822	388,753
Charitable activities	4	79,953	126,886
Investments	5	24,490	29,797
Other income	6	19,000	-
<b>Total income</b>		<u>426,265</u>	<u>545,436</u>
<b>Expenditure on:</b>			
Raising funds	7	12,000	-
Charitable activities	8	539,274	531,684
<b>Total expenditure</b>		<u>551,274</u>	<u>531,684</u>
<b>Net income/(expenditure) and movement in funds</b>		(125,009)	13,752
<b>Reconciliation of funds:</b>			
Fund balances at 1 January 2025		<u>673,521</u>	<u>659,769</u>
<b>Fund balances at 31 December 2025</b>		<u>548,512</u>	<u>673,521</u>

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2025**

		2025		2024	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	14		1		1
<b>Current assets</b>					
Debtors	16	47,098		26,424	
Cash at bank and in hand		521,768		688,175	
		<u>568,866</u>		<u>714,599</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(20,355)</u>		<u>(41,079)</u>	
<b>Net current assets</b>			548,511		673,520
<b>Total assets less current liabilities</b>			<u>548,512</u>		<u>673,521</u>
<b>The funds of the charity</b>					
Unrestricted funds	21		548,512		673,521
			<u>548,512</u>		<u>673,521</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 2025.

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 20 April 2026

Ms J Gibbons  
**Trustee**

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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**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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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 charity is the parent of a wholly owned subsidiary, Action for Happiness Trading Limited.

The trustees have taken advantage of the exemption under the Companies Act 2006 not to prepare consolidated group accounts, as the charity and its subsidiary together constitute a small group.

In addition, the trustees consider that the inclusion of the subsidiary would not be material to the group accounts.

The results, assets and liabilities of the subsidiary are therefore not consolidated in these financial statements.

**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.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**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.

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

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**1 Accounting policies**

**(Continued)**

**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.

**1.6 Fixed asset investments**

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.

Investment in subsidiaries are measured at cost.

**1.7 Cash at bank and deposits**

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.

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**1 Accounting policies**

**(Continued)**

***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.

**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 Income from donations and legacies**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Donations and gifts	184,629	248,378
Grants	118,193	140,375
	<u>302,822</u>	<u>388,753</u>
<b>Grants</b>		
The Segelman Trust	15,000	50,000
Bloom Wellbeing Fund	47,073	-
Charles Engelhard Foundation	-	40,375
Dreamchasing	50,000	50,000
Giving What We Can platform	6,120	-
	<u>118,193</u>	<u>140,375</u>

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**4 Income from charitable activities**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Event income	34,379	58,727
Course income	44,447	66,917
Educational services	1,127	1,242
	<u>79,953</u>	<u>126,886</u>

**5 Income from investments**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Income from subsidiary	2,232	2,749
Interest receivable	22,258	27,048
	<u>24,490</u>	<u>29,797</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**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
Employers allowance	19,000	-

Other income includes £19,000 in respect of a backdated Employment Allowance claim.

**7 Expenditure on raising funds**

	<b>Unrestricted funds 2025 £</b>	<b>Unrestricted funds 2024 £</b>
<b>Fundraising and publicity</b>		
Other fundraising costs	12,000	-

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**8 Expenditure on charitable activities**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Direct costs</b>		
Staff costs	213,367	214,738
Costs of providing courses	81,216	65,499
Event costs	19,920	18,701
Educational services	844	3,994
Communication	49,757	65,081
Community development	81,715	64,469
	<u>446,819</u>	<u>432,482</u>
<b>Share of support and governance costs (see note 9)</b>		
Support	89,335	95,482
Governance	3,120	3,720
	<u>539,274</u>	<u>531,684</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>539,274</u>	<u>531,684</u>

**9 Support costs allocated to activities**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Bank fees	355	337
General expenses	16,672	2,372
Online services	53,643	74,477
Printing and stationery	145	145
Rent	17,122	16,818
Insurance	1,398	1,333
Governance costs	3,120	3,720
	<u>92,455</u>	<u>99,202</u>
<b>Analysed between:</b>		
Charitable activities	<u>92,455</u>	<u>99,202</u>

**10 Net movement in funds**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's independent examiner:		
- for the independent examination of the charity's financial statements	2,760	3,720
- for tax advisory services	360	-
	<u>3,120</u>	<u>3,720</u>



**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**11 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year (2024: £nil). No trustees were reimbursed expenses during the year (2024: £nil).

One trustee made a donation of £75,453 (2024: None and £nil).

**12 Employees**

The average monthly number of employees during the year was:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
Administration	2	2

**Employment costs**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	174,960	169,960
Social security costs	13,466	20,550
Other pension costs	24,941	24,228
	213,367	214,738

In addition to the 2 employees noted above, expenditure also includes payment to 4 subcontractors (2024: 4) giving a total workforce of 6 full time equivalents (FTEs).

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

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
£120,001 to £130,000	1	1

**Remuneration of key management personnel**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	156,775	157,829

**13 Taxation**

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

**ACTION FOR HAPPINESS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**14 Fixed asset investments**

			Other investments £
<b>Cost or valuation</b>			
At 1 January 2025 & 31 December 2025			1
<b>Carrying amount</b>			
At 31 December 2025			1
At 31 December 2024			1
Other investments comprise:	<b>Notes</b>	<b>2025 £</b>	<b>2024 £</b>
Investments in subsidiaries	<b>15</b>	1	1

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

**15 Subsidiaries**

Details of the charity's subsidiaries at 31 December 2025 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 £33,702 (2024: £23,621) and expenditure incurred was £31,470 (2024: £20,872) resulting in a profit of £2,232 (2024: £2,749). All of the profit was distributed up to the charity in the period.

**16 Debtors**

	<b>2025 £</b>	<b>2024 £</b>
<b>Amounts falling due within one year:</b>		
Amounts owed by subsidiary undertakings	3,232	-
Other debtors	-	63
Prepayments and accrued income	43,866	26,361
	<u>47,098</u>	<u>26,424</u>

Amounts owed by subsidiaries are interest free and repayable on demand.

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**17 Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	6,404	5,889
Amounts owed to subsidiary undertakings	-	20,242
Other creditors	13,951	14,948
	<u>20,355</u>	<u>41,079</u>

Amounts owed to subsidiaries are interest free and repayable on demand.

**18 Retirement benefit schemes**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	24,941	24,228
	<u>24,941</u>	<u>24,228</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

**19 Operating lease commitments**

**Lessee**

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:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Within one year	8,300	16,600
Between two and five years	-	8,300
	<u>8,300</u>	<u>24,900</u>

**20 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.

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**21 Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	<b>At 1 January 2025</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2025</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Technology capabilities	-	-	-	100,000	100,000
Strategic development	-	-	-	50,000	50,000
General funds	673,521	426,265	(551,274)	(150,000)	398,512
	<u>673,521</u>	<u>426,265</u>	<u>(551,274)</u>	<u>-</u>	<u>548,512</u>

<b>Previous year:</b>	<b>At 1 January 2024</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>At 31 December 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	659,769	545,436	(531,684)	-	673,521
	<u>659,769</u>	<u>545,436</u>	<u>(531,684)</u>	<u>-</u>	<u>673,521</u>

**Designated Funds**

Technology capabilities: Funds designated for developing a new technology platform and team capabilities.

Strategic review and development: Funds designated for implementing strategic plan and developing new user offer.