

MENTAL HEALTH INNOVATIONS
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Registered Charity Number - 1175670

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Trustees' Annual Report

The Board of Trustees are pleased to present their Trustees' Annual Report and accounts for the year ended 31 December 2021. The Trustees' Annual Report contains a Directors' Report as required by company law. The report and accounts comply with the requirements of the and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 (effective 1 January 2019).

Introducing Mental Health Innovations

Mental Health Innovations ("MHI") is a digital mental health charity which develops new ways to help people have conversations about mental health. We combine digital innovation, data-driven analysis and expertise in mental health. Our purpose is to transform lives by improving access to helpful digital resources for mental health in the UK.

MHI was founded in November 2017 with the support of The Royal Foundation following their successful Heads Together campaign. Heads Together identified the potential that digital tools offer in supporting people struggling with their mental health. MHI works in partnership with charity partners, academic institutions and the corporate sector to help improve mental health in the UK.

MHI's first digital mental health service is Shout 85258. Shout uses the technology platform of the US charity Crisis Text Line and provides free 24/7 text message support for anyone who is struggling to cope.

Our Mission

Mental Health Innovations' mission is to use data-driven analysis, clinical expertise and technological innovation to develop and sustain pioneering digital products and services that meet underserved needs and that improve the mental health of the UK population.

Our Vision

Our vision is that everyone in the UK has access to the digital mental health services that they need and can access appropriate, high-quality support quickly and efficiently through the power of technology.

Our Values



Integrity

We are driven by the best interests of the people we serve and we place them at the heart of everything we do. We have high standards and we hold ourselves to account to deliver our objectives and KPIs to achieve our mission.



Collaboration

We embrace a diverse range of people, skills, views and experiences within our organisation to achieve better outcomes for the people we serve. We work together with empathy and mutual respect.



Courage

We are bold and push the boundaries to find new and better ways to support more people. We are not afraid to try new things and we learn from our mistakes.



Insight

Our work is evidence-based. We interrogate data and draw upon clinical expertise to inform our actions and to set standards for best practice. We are curious, reflective and we seek regular feedback on our performance.



Agility

We are nimble and flexible, responding swiftly to new challenges and innovating purposefully to achieve our goals and objectives.

Diversity and Inclusion

Our goal is to be a diverse and inclusive organisation that is representative of the UK population at all levels, including our Board of Trustees, our staff, our volunteers and our beneficiaries. We believe that diversity among our staff will lead us to have a creative and empowered team that can develop and deliver high quality services. We want these services to be known to and accessed by a diverse range of the UK population, including demographics that are underserved by mental health support services.

We hold ourselves accountable to progress through our Diversity and Inclusion Working Group. The Group facilitates open conversations where our attitudes and working practices can be challenged, identifies where improvements need to be made, makes evidence-based recommendations and tracks progress against our goals.

Public Benefit

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. These objectives fall under the purposes defined by the Charities Act 2011.

Shout: 24/7 support for the UK

Shout 85258 is a free, confidential, 24/7 text message support service for anyone in the UK who is struggling to cope. The service is staffed by trained volunteers who are overseen by clinical supervisors. The Shout service is available around the clock and is designed to enable individuals to take their next steps towards feeling better. <https://giveusashout.org/>

How it works

Shout is designed to be as easy to access as possible – there is no app or data required, no registration process, no fee. It is silent, free, confidential and anonymous – a texter can send a text message any time of day or night wherever they happen to be.

- A person in need of support sends an SMS text message
- They will receive an automated response explaining how the service works
- The texter is connected to a trained Shout Volunteer
- The Shout Volunteer will listen and help the texter move to a calm state
- The Shout Volunteer will work with the texter to address their needs and help the texter form an action plan to help themselves
- The Shout Volunteer will follow a risk assessment methodology to assess if the texter is at imminent risk, and work with a clinical supervisor to notify the appropriate services in cases of imminent risk of suicide or where there are safeguarding concerns
- The texter might be provided with information about other specialised charities or services for additional on-going support. We aim to support every texter to find a calm place with a plan to look after their safety and wellbeing

Every conversation is with a human being and there are three levels of risk management and quality assurance operating across the service:

- Prioritisation: an algorithm reviews incoming texts, placing urgent cases to the top of the queue
- Shout Volunteers: aged over 18, who have gone through an application process, reference checks and 25 hours of training that equips them with active listening, de-escalation and risk assessment skills. These highly trained volunteers converse with texters and are the foundation of Shout. Shout Volunteers receive real time monitoring and support from clinical supervisors, 24/7, as well as

receiving on-going training and coaching from MHI's team of coaches

- Clinical Supervisors: text conversations are overseen by trained Clinicians who give real-time support and monitor conversations 24/7. Clinical Supervisors can escalate texters to the emergency services via a direct line if there is imminent risk to life

Clinical oversight of the platform and ensuring the quality of our conversations is at the heart of Shout 85258. Both Professor Peter Fonagy, of University College London and the Anna Freud Centre, and Jean O'Hara, a Visiting Senior Lecturer at King's College London, are MHI Trustees.

The Shout service currently employs more than thirty clinicians with a breadth of experience drawn from NHS roles, private practice and crisis response. Clinical supervisors monitor conversations in real time, provide support to volunteers in their responses to texters, review transcripts, monitor the case notes of repeat users and are responsible for appropriately responding to safeguarding cases or conversations where a risk-to-life is identified.

As of 30 June 2022, Shout 85258 has more than 2,150 active Shout Volunteers (compared with 2,600 as of 30 June 2021).

Crisis Text Line partnership

Mental Health Innovations is pleased to be in partnership with Crisis Text Line to bring to the UK the established technology platform and service model that underpins the Shout service. Mental Health Innovations licenses the technology platform from Crisis Text Line to power the Shout service. No fee is payable in respect of this service or the IT support provided by Crisis Text Line.

Crisis Text Line's US service is a free, nationwide, text-based, 24/7 service for people experiencing crisis. The service has been operating in the USA since August 2013. As of August 2022, Crisis Text Line has exchanged more than 7.5 million conversations with US texters in crisis. More information on Crisis Text Line can be viewed at: www.crisistextline.org.

2022 in Numbers

From launching the Shout service in its pilot phase in May 2018 to 30 June 2022, Shout 85258 has grown to having:

- Conducted more than **1.4 million** conversations
- Supported over **506,000** individuals

- Built a trained volunteer community of over **2,100** from around the country
- Established a team of **40+** clinical staff ensuring quality and supporting volunteers
- Established a team of **15+** supporting the coaching, training and admissions of volunteers
- **35%** of conversations have presented with suicidal ideation, with a significant proportion of conversations also expressing depression, anxiety, relationships and loneliness
- Over **20,000** conversations have resulted in a Shout clinician initiating what is called an 'Active Rescue'. In instances where service users who have the means and imminent timeframe to complete suicide and de-escalation has not been possible, police have been called. This police relationship is carefully managed, with MHI having direct links into the Met Police
- In 2022 around **29%** of Shout service users were contacting us for the first time
- **76%** of texters contact us just once or twice
- **83%** of service users tell us that they thought their conversation was helpful

Historically, **63% of texters identify as straight and 37% of texters as LGBTQ+**. Female users have represented **76% of users**. **64% of texters have been under 25 years old**.

Being the fourth year of operations, 2021 was a year of significant growth for the charity. The impact we were able to have on our community scaled significantly between 2020 and 2021, and has continued to grow on every measure into 2022, especially as a result of the pandemic:

	2018 (May to December)	2019	2020	2021	2022 (Period to 30 June)	2018 - 2021 (Period to 30 June 2022)
Total conversations	26,571	166,620	355,870	501,568	361,599	1,412,341
Total texters*	14,218	81,933	159,287	208,911	146,246	506,085*
Active Volunteers	544 (As of 31 December)	1,671 (As of 31 December)	2,304 (As of 31 December)	1,794 (As of 31 December)	2,071	2,000+ (As of June 2022)
Conversations per day	269 (December average)	698 (December average)	1,303 (December average)	1,614 (December average)	1,730 (June average)	1,122

Note: * Total texters row represents unique texters in each period. As a result, the total column is not additive.

Texter Feedback

“I've never reached out for help before and I needed it.

Please continue the amazing work you are doing. Idk if I would've kept going without those words of encouragement.

I realised I have things to live for.”

shout
85258
here for you 24/7

“Being told I deserved support and to feel safe was the most reassuring thing you could've said.

I didn't feel like a burden for the first time in a while and your support encouraged me to open up and speak to my parents.

I feel as though a weight has been lifted.”

shout
85258
here for you 24/7

“I was overwhelmed by going into lockdown again, feeling lonely, trapped and very stressed about getting work done for my final year at university.

Shout gave me the support I needed.”

shout
85258
here for you 24/7

“Thank you so much for volunteering your time to help others (especially on Christmas Day).

It's literally life saving.”

shout
85258
here for you 24/7

Review of 2021 Operations

As 2021 progressed it became clear that fundraising would become the biggest single challenge for the charity during the year. Conversation volumes continued to grow, resulting in an increased cost base, and maintaining a financially sustainable foundation became increasingly challenging. As a result, in the summer of 2021, MHI underwent a cost reduction exercise to help mitigate in part the fundraising challenges whilst maintaining the quality of the service and meeting the increased texter demand. MHI endeavoured to do this with minimal impact on permanent staff but, unfortunately, a small number of staff were either made redundant or furloughed during the year.

However, over the course of 2021, MHI continued to build awareness of the service and sought to build philanthropic and commissioned partnerships with organisations throughout the country to enable more users to access the service throughout the pandemic.

In 2021, Shout continued to white-label the service to charity partners, universities and corporate partners in order to provide support to specific vulnerable groups, and to add capacity to the wider sector. Many charities that offer excellent services during the day are able to signpost their service users to Shout during the night-time, thereby offering round-the-clock support. During 2021 MHI continued to build the foundation for effective 24/7 support and continued to build a team of clinically trained supervisors in New Zealand to better support the late evenings and night-time texters in the UK.

In the year, the staff team has grown, with the average number of staff being 79 in 2021 (62 in 2020).

2022 Strategic Focus

MHI has continued to build each year on the strong foundation initially developed in 2018. In 2022 to date, we have continued to grow the impact and reach of the Shout 85258 service, particularly through our commissioned partnerships.

In 2022 MHI has continued to respond to a growing number of daily conversations and the average number of conversations has generally been around 2,000 conversations per day, although at its peak daily conversation levels exceeded 5,000 conversations.

As the restrictions loosen around the COVID-19 pandemic, the most common issues presented from our texters are suicidal ideation, self harm, anxiety and stress. This continues to create a need for emotional support that the Shout service is able to respond to. Our clinically robust and monitored digital service demonstrated its ability to scale rapidly to facilitate the replacement of at least some of this support.

MHI has continued to focus on building out staffing and systems to respond to the pandemic and to ensure sufficient capacity to cater for this growth in service demand. MHI's clinical and volunteering teams were bolstered. This enabled us to provide the necessary service capacity and enabled us to respond to the higher number of conversations and train more volunteers.

MHI's operations in New Zealand have also expanded, enabling MHI to have clinical supervision staff members, trained in UK practice. Increasing operations in New Zealand under aligned data protection regulations provides increased capacity to meet increased overnight demand for the 24/7 Shout service.

MHI's strategic objectives for 2022-25 are as follows:

- 1) Deliver free, 24/7 mental health support through a high quality Shout service, built upon a sustainable financial foundation, with targeted reach into diverse groups.
- 2) Deliver data and clinical insights that will support and enhance MHI's services, engage and influence external audiences, inform new product development and advance collective knowledge in addressing mental health problems.
- 3) As an organisation we are united behind our values and shared objectives, and we will:
 - a) Encourage active contribution from staff to a supportive, positive and progressive organisational culture.
 - b) Promote staff and volunteer wellbeing and facilitate continued growth in expertise, knowledge and professionalism.

- c) Put our service users at the heart of everything we do, including increased engagement of service users in the development and evaluation of our work.
- 4) Building on MHI's clinical expertise, data insights and partnerships, develop new innovative products and services to meet underserved mental health needs within the UK. Development will depend on organisational priority, funding and resources.

The high-quality of the Shout 85258 service has been our primary aim throughout what has been a difficult period as the pandemic has increased the number of conversations at a higher than expected rate, as the challenges brought on largely by the pandemic continued, and made income generation more challenging.

In 2022 and beyond, MHI continues to seek to diversify and grow income, complementing the kind support of our philanthropic donors with support from the corporate sector, as well as growing the commissioned service offer to sectors that would benefit from a tailored, white-labelled version of the Shout 85258 service in serving their communities and/or customers.

The user base of Shout 85258 is currently skewed towards white, female texters aged 14-24. MHI aspires to widen the appeal and reach of the service to a broader range of demographics and seeks to grow service usage among different genders, ethnicities and socio-economic groups. We are focused on identifying underserved demographics and reaching these audiences through community based marketing activities, deploying behaviour change marketing principles. We will also reach more diverse audiences through the generation of new keyword partnerships with charities and community organisations who have reach into these demographics.

Growing our Data Insights capacity and outputs has been a key focus in 2022 and we have developed technology to help in this regard. Data insights support the day-to-day operation of the Shout 85258 service and MHI's future programme of charitable activities including the identification of areas for the development of additional digital products and services.

Governance

Mental Health Innovations

Mental Health Innovations is a Charitable Incorporated Organisation established in 2017, regulated by the Charity Commission (Charity no. 1175670). The business of the charity is governed by the Board of Trustees (whose members during the year are listed below). The trustees are responsible for overseeing the management of all the affairs of Mental Health Innovations and delegate day-to-day management of the organisation to the Chief Executive and the Senior Management Team. The trustees make decisions in accordance with the provisions of the Charities Act 2011. The board meets at least four times a year.

Give us a Shout Ltd

Give us a Shout Ltd is wholly owned by Mental Health Innovations, was incorporated in October 2019 and is registered in England and Wales (Company no. 12273687). The business of the subsidiary is governed by the Chair, CEO, and Director of Finance and Operations (from October 2020). The subsidiary is currently dormant, with no financial activities.

Trustees

The Trustees who served during the period and up to the date of signature of the financial statements were:

Edward James Wray	
Ajaz Ahmed	(Resigned December 2021)
Dominic Brendan Flynn	
Peter Fonagy	
Charles Stuart Mindenhall	
Simon Christopher Weaver	
Dr Amy Shi-Nash	
Dr Uma Vaidyanathan	
Dr Jean O'Hara	
Jerome Jude Misso	(Appointed March 2022)

Senior Management Team

Victoria Hornby (Chief Executive Officer)	
Clare Bolton (Director of Marketing and Communications)	
Christopher Chapman (Operations and Finance Director)	
Edward Conway (Director of IT and Security)	
Sarah Kendrick (Clinical Director)	
Dr Fiona Pienaar, PhD (Senior Clinical Adviser)	
Dr Mark Ungless (Director of Data Insights)	
Caroline Westley (Acting Director of Income)	(Appointed February 2022)

Registered address

Portrait Solicitors
21 Whitefriars Street
London
EC4Y 8JJ

Independent Auditor

Moore Kingston Smith LLP
6th Floor,
9 Appold Street,
London,
EC2A 2AP

Principal Bankers

Barclays Bank Plc
Leicester
LE87 2BB

Recruitment and Appointment of Trustees

The Board of Trustees review the skill set of its members, via a Trustees Skill Matrix, on a regular basis and will seek to fill gaps with people with the appropriate level of skills and experience. Once appointed a new Trustee is given information on the legal expectations and duties of a Trustee, meets with the Chief Executive and other relevant staff, is given an information pack of relevant documentation and is provided with any relevant training.

Pay Policy

MHI aims to reward people who work for the charity fairly and equitably for the work they do, and for the skills and experience they bring to the organisation and in line with the published grade and salary banding. Salaries are reviewed on an annual basis for both cost of living and merit increases. The pay of the Chief Executive is reviewed by the Chair of the Board of Trustees, and any changes would be approved by the Board of Trustees, and the pay of other key personnel is reviewed and approved by the Chief Executive.

Charity Governance Code

MHI has focused on enhancing its processes in relation to the 7 principles of Charity Governance. The principles encourage charities to publish a brief narrative in their Trustees' Annual Reports explaining how they apply it.

The Board will continue to focus on MHI's governance arrangements in areas covered by the code to ensure that the charity's governance aligns well with the code.

- 1) Organisational purpose: The board is clear about the charity's aims and ensures that these are being delivered effectively and sustainably
- 2) Leadership: The board is constantly reviewed to ensure effectiveness of leadership in line with MHI's mission and values
- 3) Integrity: The board acts with integrity, adopting values and creating a culture which helps achieve the organisation's charitable purposes. The board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.
- 4) Decision making, risk and control: The risk management processes established ensure decision-making processes are informed, rigorous and timely, and that effective delegation, control and risk-assessment, and management systems are set up and monitored
- 5) Board effectiveness: The board works as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions
- 6) Equality, Diversity and Inclusion : The board is diverse, which supports the effectiveness, leadership and decision making.
- 7) Openness and Accountability: MHI commits to openness and transparency

As the MHI team, volunteer community and Shout service grow significantly, the Board and Senior Management Team are committed to developing a diverse and inclusive organisation with services that appeal to and are accessible by a wide range of demographics among the UK population. A Diversity and Inclusion committee, formed by staff in the organisation, meets regularly to ensure diversity and inclusion in the organisation as well as the volunteer community, and in ensuring that our service is visible and welcoming to all communities in the UK. A Marketing and Partnerships Manager also has a specific responsibility for developing partnerships and campaigns to reach people from communities that are currently under-represented in usage of the Shout 85258 service; specifically young black men.

Safeguarding

We believe that everyone has the right to live in safety, free from abuse or neglect no matter who they are or where or how they live.

Safeguarding is everybody's duty. We believe that everybody is different and that diversity should be respected and celebrated. Everybody will be treated fairly, with accessible information, advice and support to help stay safe and maintain control of their lives. We are dedicated to safeguarding all individuals who use Shout by valuing them, listening to and respecting them and by providing a safe environment for all of our Texters so that they can access the support they deserve.

We strive to identify individuals who are suffering, or at risk of suffering, abuse and neglect and where appropriate, to report concerns in a timely manner to relevant agencies. We

believe that the duty to safeguard and to promote resilience, wellbeing and safety extends to all staff, Volunteers and Trustees of Shout. We recognise the devastating effect of abuse and neglect and this drives our commitment to safeguarding comprehensively and with compassion.

Our commitment at MHI is to ensure robust safeguarding measures are in place for our texters. We therefore have a Safeguarding policy in place, as well as a complaints policy.

Training

Regular training in Safeguarding for all staff is a standard for all employed staff. All new staff are also expected to complete their Safeguarding training during the induction process. This training includes:

- Safeguarding Adults: Levels 1 and 2
- Safeguarding Against Radicalisation: The Prevent Duty
- Safeguarding Children: Levels 1 and 2
- Safeguarding Children with Disabilities

All Clinical Supervisors and Coaches are trained to Level 3, and our UK Safeguarding Panel members are trained to Level 5. MHI are in the process of securing a place for our New Zealand Safeguarding Leads on the next available Safeguarding training.

For Trustees

Trustees have undertaken training in Safeguarding for charity trustees in line with the Charity Commission guidance on good safeguarding governance.

Digital safeguarding

We deliver our own in-house training which focuses on safeguarding in the digital space.

Priorities for the future are to:

- Raise awareness of the challenges and guidance when safeguarding in relation to culture, protected statuses and contextual aspects of safeguarding.
- Develop safeguarding information and content for Children, Young People and Adults at Risk of Harm detailing Shout's approach and policies.
- Completion of a Section 11 audit biannually. Section 11 is a statutory requirement when working with Local Authority partners and ensures the organisation is meeting Safeguarding expectations.
- Continue to monitor and support Supervisors in their Safeguarding decision making processes, as well as identifying any possible learning needs.
- Commission an external Safeguarding audit to be carried out by the end of 2022.

Safer recruitment

We are working towards adopting Safer Recruitment practices to further enhance our approach to safeguarding in the recruitment process, and expect this to be in place in the near future.

Data Protection and Information Security

In 2021, the team started to mature our ISMS and completed our first surveillance audit with a couple of observations. The new data insights environment (Amorphic) was completed early 2021 and configured to import data daily from Salesforce and the platform. A number of other projects were completed to support the Shout service, including optimisation of the coaching processes and streamlining the sign-up process for volunteers.

Internal policies and Regulatory Compliance

Our organisation's policies are reviewed at least annually to ensure they reflect current best practice, and we provide regular awareness training to support staff in understanding, applying and complying with our policies.

Fundraising Compliance

Our Ethical Fundraising policy recognises our legal requirements as a charity to maximise our income in line with our mission whilst ensuring that our activities and behaviour comply with the law. MHI acknowledges that the generosity of our donors and partners enables us to carry out our charitable activities. Whilst our aim is to maximise our income we recognise that on very rare occasions we may consider refusing a donation or other involvement with a sponsor or a particular activity. In such an instance we will act with the utmost integrity; we will respect any matters of legitimate confidentiality and, in conducting all discussions and conveying the decision, will aim to respect the dignity of the prospective donor and/or partner.

We believe in adhering to the highest standards of fundraising practice and our fundraising activities are led by our Director of Income as well as the Income Generation team, who are responsible for ensuring that all fundraising follows the standards in the fundraising code. We received no complaints about our fundraising this year. We also pay close attention to the changing regulatory environment to ensure that we are compliant with best practice and that our fundraising is transparent, honest and non intrusive. We do not employ professional fundraising agencies with the majority of fundraising activities planned and delivered by our small inhouse fundraising team.

Our People

Our employees and our volunteers remain at the heart of everything we do. As a fast growing organisation we continue to work to attract the right people and that they want to stay with us.

Staff wellbeing remains at the forefront of our mind, and is especially important given the nature of our work. We continue to invest in support to help our staff look after their wellbeing with health insurance and an employee assistance programme for our UK staff, and paid-for supervision for our clinical team. We continue to work towards implementing comparable benefits for our New Zealand team.

In order to create a vibrant and creative workspace we are committed to being truly representative of the people we serve. We have invested substantial effort in broadening the reach of our service, and on initiatives that increase awareness of issues around diversity and inclusion among our staff and Volunteers. Our Diversity and Inclusion working group meets regularly to support the organisation's Trustees and Senior Management Team in delivering a strategy for diversity and inclusion.

We have many opportunities for staff to make their voices heard across the organisation as we seek to understand ways to better support staff, with regular surveys to identify areas to explore and working groups to ensure a broad range of voices are heard.

All staff can invest in their learning and development with a personal training budget to use on areas of interest, as well as training courses delivered to the whole organisation. Staff and Volunteers have access to a wide range of online learning courses to further their skills and knowledge.

We seek to make sure that everybody who works or volunteers for us does so in a safe environment, free from discrimination and harassment. We have policies and procedures in place to make sure this is the case, and that concerns can be raised and dealt with discreetly and effectively.

Our Supporters in 2021

We would like to thank all those who supported Mental Health Innovations and the Shout 85258 service, as without their help, our work would not be possible.

Our Donors and supporters in 2021 include:

- BBC Children in Need
- Bridges Impact Foundation
- CHK Foundation
- Garfield Weston Foundation
- Royal Bank of Canada
- Selfridges Group Foundation
- The Childwick Trust
- The Dulverton Trust
- The Findlay Charitable Trust
- The Jongen Charitable Trust
- The Linbury Trust
- The Randal Charitable Foundation
- The Rayne Foundation
- The Royal Foundation
- The Stone Family Foundation
- Vodafone Foundation

We would like to thank the following networks for providing the Shout's text service free to the service user and 'off bill': EE, O2, Three, Vodafone, BT Mobile, Tesco Mobile, Virgin Mobile, iD Mobile, Sky, Telecom Plus, Lebara and GiffGaff.

Volunteers

- A heartfelt thank you for everything you do to support our texters; we are incredibly grateful for your generosity, time, empathy and dedication, without which we couldn't operate the Shout service

Our Texters

- Thank you to everyone who has been courageous and reached out for support from the Shout service

And a final thanks to all those who have helped us raise awareness of Shout 85258 and all who wish to remain anonymous.

Financial Review

2021 in Review

2021 was a challenging year financially for MHI. As the year progressed the COVID-19 pandemic, and the resulting economic challenges it presented, began to impact our fundraising efforts. As a result MHI continued with the approach to diversify income streams, where possible, in order to help protect against such circumstances impacting the organisation in the future. There was a continued growth in commissioned services, which involved providing the Shout service to partner organisations where users would have a specific keyword. MHI provides data insights based on the texter population to the organisation. Income in the year totalled £5.2m (2020: £6.0m), which was below target for the year. In order to help meet this challenge MHI undertook a cost reduction exercise in the summer of 2021, which we made sure did not impact the quality or 24/7 service provided.

In 2021, MHI again needed to support a significant growth in demand for the Shout service. In order to respond to this growing demand, there needed to be significant investment in building the staffing of the organisation and the underlying systems supporting service delivery and robust governance. However, with the fundraising challenges detailed above we needed to undertake this growth carefully and sought to control costs, particularly in support areas, to ensure we could continue to provide a quality service.

MHI is committed to ensuring that Shout service users experience the highest quality of support. As such, Shout's primary expenses are:

- **Clinical supervision**, in providing 24/7 clinical support of our volunteers and texters
- **Volunteer training and support** of a growing volunteer community
- **Information technology and data security** to ensure robust data protection and to ensure the robust operating of a scaled platform
- **Communications and partnership management** to raise awareness of the service and to build partnerships in the sector to reach prospective service users
- **Data Insights** to continually monitor and enhance the Shout 85258 service by day-to-day monitoring of activity on the platform as well as using insights to forge partnerships with other organisations working to reach other audiences
- Other management staff costs to manage the growth of the organisation

Over the course of 2021, MHI's expenditure was £5.9m (2020: £5.4m). This growth in staff resulted in headcount growing from 62, as at 31 December 2020, to 79 as at 31 December 2021. This resulted in additional costs of £0.5m during the year. Of these costs £0.2m (2020: £0.5m) related to the growth of the Clinical Supervision team and growth in the Data Insights team of £0.2m (2020: £0.2m).

Restricted funds are those that are subject to restrictions specified by the donor and can only be used for the specified purpose, namely the Shout 85258 text service. The charity had restricted funds of £0.5m at the end of the year (2020: £0.3m).

In addition, there were unrestricted reserves at the end of the year of £0.7m (2020: £1.6m), which are available to use for the purposes of the charity as the trustees see fit.

Reserves Policy

The Trustees believe that our reserves policy should reflect the current requirements for the charity and be reviewed on a regular basis, which is done at least on an annual basis when agreeing the strategy. These reserves should primarily cover an orderly wind-down and future investments but also help cover irregular income and expense flows, smooth surpluses and deficits, deal with the financial effect of risks, take advantage of opportunities and deal with the unexpected.

As at 31 December 2021 and through 2022 the Trustees would ideally target reserves of between three to six months' expenditure, equivalent to circa £1.5 million to £3.0 million. However, given the challenges experienced in fundraising during the year, as at the end of the year reserves totalled £1.2m (2020: £1.9m). Of this amount £0.654m (2020: £1.542m) were free and unrestricted, however, given that the vast majority of expenditure in 2022 relates to the Shout service the Board is comfortable that the Reserves Policy target includes both free reserves and restricted reserves of £0.5m (2020: £0.4m). MHI will, in the short-term, hold its reserves in cash or cash-like instruments in order to maintain liquidity.

The fund balance as of 31 December 2021 was not within the range defined within MHI's reserves policy. As a result the trustees will aim to build reserves to fall within the target level as soon as is practicable, although it is believed that this will be unlikely before the end of 2022.

It should be noted that in order to improve cash resource levels, the charity received a repayable grant of £3.0m from the IGY Foundation in September 2021. This grant is repayable over 3 years, with no repayments in the first 12 months, and then with further repayments calculated on a quarterly basis based on cash levels exceeding agreed amounts. Any amount outstanding at the end of the 3 year period would become repayable at that time.

Risk Management - Principal risks and Uncertainties

Trustees have overall responsibility for risk management and in line with their policy maintain a risk register. However, the Trustees also recognise that for the risks to be identified and managed successfully there needs to be shared accountability throughout the organisation. Risks are considered at both a strategic and operational level, with the nature of the risk noted on the register along with an assessment of its likelihood and potential impact. The senior management team reviews the risk register quarterly with the risks being reviewed by the Board on a quarterly basis. Depending on the nature of the risk, the

management will either consider measures to put in place to mitigate against the risk or, where an external risk is outside of the charity's control, a response plan.

The key risks identified, and the mitigations in place, include:

- Securing sufficient funding to meet the financial commitments and maintain the quality and level of service provided. The organisation manages this risk by adopting a suitable reserves policy and by operating a coordinated approach to both maintain and establish new relationships to raise funding across a number of sources.
- Ensuring that there are sufficient volunteers to meet the number of texters with a minimal wait time. The organisation is working to manage this risk by continually growing the volunteer base in the UK and employing platform supervisors in New Zealand to reduce the reliance on night shifts in the UK.
- Ensuring that the quality of the service is maintained including the quality of advice and positive user feedback. The organisation manages this risk by employing qualified staff to supervise all conversations between the volunteers and texters and by collecting and reviewing feedback.
- Ensuring the retention of key staff and the successful recruitment for key roles provide a key focus to ensure the charity has appropriate levels of knowledge, skills and experience within the organisation to ensure that the successful achievement of its objectives are not impacted. In order to manage this risk the charity is working to improve training and development and, where possible, career progression opportunities.
- Managing the reliance on one key supplier. In order to manage this risk, and should the need arise, we have undertaken a recent due diligence exercise to identify a preferred suitable alternative supplier.

COVID-19

As a largely digital, cloud-based, distributed workforce, MHI has been able to continue operations throughout the COVID-19 pandemic while responding to a more than doubling in growth in daily demand from service users since the beginning of lockdown.

The impact on MHI of the COVID-19 pandemic has been outlined in the above section "2022 Strategic Focus".

Key risks and uncertainties facing the organisation as a result of COVID-19 included the impact on income streams, financial controls, impact on staff, the impact of home working on our systems and management of the organisation.

MHI was able to robustly mitigate each of these risks and uncertainties:

- The COVID-19 pandemic has made fundraising increasingly difficult. We have grown as an organisation, to support the hugely increased volume of conversations, which has also increased the funds required. We have continued to expand the income generation team in order to build a solid and robust income pipeline, through diversified income streams and fully exploring new sources of income, to ensure we manage through the pandemic and beyond. However, income generation has remained challenging and, as a result, in September 2021 MHI secured a repayable grant from an existing relationship to help us manage through the next 18 months whilst the diversified income streams develop.
- Financial controls were maintained throughout COVID-19. Financial documentation and controls were already in place in digital form before the pandemic.
- The potential for COVID-19 to have impacted the health of our staff and volunteers remains front of mind for the organisation. Business continuity plans were put in place to respond to a potential eventuality where a significant proportion of MHI's staff or volunteers were impacted by the crisis.
- As all volunteers and more than half of paid staff already regularly worked from home before the pandemic, the impact of more widespread homeworking was minimal in comparison with other organisations
- As the pandemic continued, we became very aware of the risk of burn out and ongoing implications for staff and volunteers, including the return to our offices with a hybrid working model, so continue to explore new ways to look after their health and wellbeing of staff. As 2021 progressed the senior management team began to meet more in person and, where possible, encouraged their teams to work from the office on a more regular basis.

Going Concern

The pandemic and post-pandemic period have been challenging for MHI in generating income although demand for the service has grown, as have the costs associated in providing the service. Therefore, as we build and develop our diversified income streams there was a shortfall of income in 2021, which has continued to be challenging in 2022. In order to ensure that we maintain positive cash resources, whilst we grow the levels of income to the necessary levels, we received a £3 million repayable grant from IGY Foundation in September 2021, which will help us to hold an adequate level of financial resources for the next 12 months. This grant is repayable over 3 years, with no repayments in the first 12 months, and then with further repayments calculated on a quarterly basis based on cash levels exceeding agreed amounts. We do not currently expect any repayments to be made during the next 12 months. Any amount outstanding at the end of the 3 year period would become repayable at that time.

Our planning processes, including financial projections and stress-testing, have taken into consideration the current economic climate and its potential impact on various sources of income and planned expenditure. The nature of the projections demonstrate that in all scenarios we are able to continue in existence for the next 12 months. However, should

forecast levels of income not be secured over the coming 12 months, or should we not be in a position where we are able to repay the repayable grant from IGY Foundation at the end of 3 years, and cash levels fall below the minimum level then robust plans are in place to make further necessary reductions in expenditure, such as reduction in provision of the service, should they be required to maintain going concern status.

Taking into account all factors the Trustees consider that the level of cash held is at an appropriate level and that MHI have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees believe that a going concern basis is appropriate and, on this basis, the financial statements have been prepared on the basis that MHI is a going concern.

Statement of Trustees' Responsibilities

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). The law applicable to charities in England and Wales 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 of the Charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditor

Each Trustee has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor are aware of such information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The Trustees' Annual Report was approved by the Board of Trustees.

.....
Edward James Wray
Trustee

Dated: 15 September 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MENTAL HEALTH INNOVATIONS

Opinion

We have audited the financial statements of Mental Health Innovations 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 charity's affairs as at 31 December 2021, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities 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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 24, the trustees 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 charity'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 charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 charity'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 charity'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 charity 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 charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity 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 charity's trustees, as a body, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

.....
Moore Kingston Smith LLP, Statutory auditor
6th Floor, 9 Appold Street, London, EC2A 2AP

Date: 16 September 2022

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

MENTAL HEALTH INNOVATIONS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AS AT 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
		2021	2021	2021	2020	2020	2020
Notes		£	£	£	£	£	£
Income from:							
Donations and gifts	3	1,780,047	2,624,210	4,404,258	566,959	5,054,291	5,621,250
Charitable activities	4	754,443	63,874	818,317	260,607	88,741	349,348
Investments	5	12,546	0	12,546	4,528	0	4,528
Total income:		2,547,037	2,688,085	5,235,121	832,094	5,143,032	5,975,126
Expenditure on:							
Raising funds	6	0	358,028	358,028	0	206,637	206,637
Charitable activities	7, 8	3,434,871	2,148,344	5,583,215	38,103	5,121,819	5,159,922
Total resources expended:		3,434,871	2,506,373	5,941,243	38,103	5,328,456	5,366,559
Net income/ (expenditure) for the year/ Net movement in funds		-887,834	181,712	-706,122	793,991	-185,424	608,567
Funds balances as at 1 January 2021		1,601,238	347,288	1,948,526	807,247	532,712	1,339,959
Fund balances at 31 December 2021		713,404	529,000	1,242,404	1,601,238	347,288	1,948,526

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

MENTAL HEALTH INNOVATIONS

BALANCE SHEET AS AT 31 DECEMBER 2021

			2021		2020
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	11		59,513		59,288
Investments	12		100		100
			59,613		59,388
Current Assets					
Debtors	13	662,613		566,718	
Cash at bank and in hand		3,953,679		1,779,414	
		4,616,292		2,346,132	
Creditors: amounts falling due within one year	14	-402,309		-456,994	
Net current assets		4,213,984		1,889,138	
Total assets less current liabilities		4,273,597		1,948,526	
Creditors: amounts falling due after more than one year	15	-3,031,193		0	
Net assets		1,242,404		1,948,526	
Income funds					
Restricted funds	18	529,000		347,288	
Unrestricted funds		713,404		1,601,238	
Total		1,242,404		1,948,526	

The financial statements were approved by the Trustees on 15 September 2022.

Edward James Wray
Trustee

MENTAL HEALTH INNOVATIONS

STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2021

		2021	2020
Notes	£	£	£
Cash flows from operating activities			
Cash generated from operations		2,171,834	711,542
Investing activities			
Purchase of tangible fixed assets	-10,116		-33,298
Purchase of shares in subsidiary company	0		0
Investment income received	12,546		4,528
Net cash earnt / (used) in investing activities		2,431	-28,770
Net cash earnt / (used) in financing activities		0	0
Net increase in cash and cash equivalents		2,174,265	682,772
Cash and cash equivalents at beginning of year		1,779,414	1,096,642
Cash and cash equivalents at end of year		3,953,679	1,779,414

1 Accounting policies

Charity information

Mental Health Innovations is a Charitable Incorporated Organisation registered with the Charity Commission for England and Wales, Registered Number: 1175670.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 (effective 1 January 2019), the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Charity is a Public Benefit Entity as defined by FRS 102. The Charity has a trading subsidiary, Give Us A Shout Limited, which has been established should the Charity decide to undertake trading activities in the future. The company is currently dormant and these financial statements are not consolidated.

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

1.2 Going concern

The pandemic and post-pandemic period have been challenging for MHI in generating income although demand for the service has grown, as have the costs associated in providing the service. Therefore, as we build and develop our diversified income streams there was a shortfall of income in 2021, which has continued to be challenging in 2022. In order to ensure that we maintain positive cash resources, whilst we grow the levels of income to the necessary levels, we received a £3 million repayable grant from IGY Foundation in September 2021, which will help us to hold an adequate level of financial resources for the next 12 months. This grant is repayable over 3 years, with no repayments in the first 12 months, and then with further repayments calculated on a quarterly basis based on cash levels exceeding agreed amounts. We do not currently expect any repayments to be made during the next 12 months. Any amount outstanding at the end of the 3 year period would become repayable at that time.

Our planning processes, including financial projections and stress-testing, have taken into consideration the current economic climate and its potential impact on various sources of income and planned expenditure. The nature of the projections demonstrate that in all scenarios we are able to continue in existence for the next 12 months. However, should forecast levels of income not be secured over the coming 12 months, or should we not be in a position where we are able to repay the repayable grant from IGY Foundation at the end of 3 years, and cash levels fall below the minimum level then robust plans are in place to make further necessary reductions in expenditure, such as reduction in provision of the service, should they be required to maintain going concern status.

Taking into account all factors the Trustees consider that the level of cash held is at an appropriate level and that MHI have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Trustees believe that a going concern basis is appropriate and, on this basis, the financial statements have been prepared on the basis that MHI is a going concern.

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 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 monetary amounts can be measured with sufficient reliability, and it is probable (more likely than not) that the income will be received.

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.

Commissioned income is recognised when the service has been provided in accordance with the agreement and the respective income earned.

The charity has a licence with a third party for the use of an IT platform for the provision of the Shout Service. There is no fee payable in respect of this service or the IT support. No licensee pays a licence fee so it is not practicable to estimate a sum for the purposes of the accounts.

1.5 Expenditure

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:

- Cost of raising funds comprise the costs of attracting voluntary income and the costs of fundraising
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries

Expenditure is allocated to the particular activity where the cost relates directly to that activity incurred and includes attributable VAT which cannot be recovered.

Direct charitable expenditure comprises all expenditure related to the running of the text service.

Support costs represent costs that cannot be directly attributed to the activity. Governance includes the cost of compliance with constitutional and statutory requirements and other costs related to the governance of the Charity. Support and governance costs are allocated in full to the single charitable activity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

- | | |
|-------------------------|-----------------------|
| - Fixtures and fittings | 7 years straight line |
| - Computers | 3 years straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the net income/(expenditure) for the year.

1.7 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. The investment in Give Us A Shout Limited is disclosed in note 11 and the investment is shown at cost.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

1.10 Debtors and creditors

Debtors are amounts owed to the Charity. They are measured on the basis of their recoverable amount. Creditors are amounts owed by the Charity. They are measured at the amount the Charity expects to have to pay to settle the debt.

1.11 Financial instruments

The Charity only has financial assets and 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.

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.

1.12 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.

1.13 Retirement benefits

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

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. As noted in 1.4 above, the Charity has a licence with a third party for the use of an IT platform for the provision of the Shout Service. There is no fee payable in respect of this service or IT support. No licensee pays a licence fee so it is not practicable to estimate a sum for the purposes of the accounts. Otherwise the Trustees consider that there are no material areas of judgement or estimation uncertainty.

3. Donations and Gifts

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts						
Huang Foundation	0	529,000	529,000	0	0	0
Tides Foundation	0	285,287	285,287	0	0	0
iConnections	293,157	0	293,157	0	0	0
Stone Family Foundation	0	250,000	250,000	250,000	80,000	330,000
Alta Advisors	0	200,000	200,000	0	0	0
Harry's, Inc. and Harry's USA, Inc	0	140,000	140,000	0	0	0
The Jongen Charitable Trust	100,000	0	100,000	50,000	0	50,000
CHK Foundation	0	100,000	100,000	0	75,000	75,000
Linbury Trust	0	75,000	75,000	0	0	0
Bridges Impact Foundation	0	50,000	50,000	0	0	0
Pavers Foundation	0	50,000	50,000	0	0	0
Randal Charitable Foundation	0	50,000	50,000	0	0	0
Anonymous Donors	960,000	300,000	1,260,000	260,000	1,151,836	1,411,836
Public Donations	145,039	226,975	372,014	5,003	75,937	80,940
Corporate Partnership	0	15,463	15,463	0	8,548	8,548
Other	281,851	352,485	634,336	1,956	3,662,970	3,664,926
Total	1,780,047	2,624,210	4,404,258	566,959	5,054,291	5,621,250

4. Commissioned Partnerships

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Student Minds	399,819	0	399,819	204,484	0	204,484
NHS England	92,752	0	92,752	50,000	88,741	138,741
Snapchat	0	63,874	63,874	0	0	0
NHSE England and NHS Improvement NW Region	54,900	0	54,900	0	0	0
Better Help	22,789	0	22,789	0	0	0
Harry's	20,000	0	20,000	0	0	0
University of West of England	14,000	0	14,000	0	0	0
The Burnt Chef Project	4,666	0	4,666	0	0	0
Kent and Medway	8,300	0	8,300	0	0	0
Open University	5,335	0	5,335	0	0	0
Other Commissioned Partnerships*	131,882	0	131,882	6,123	0	6,123
Total	754,443	63,874	818,317	260,607	88,741	349,348

*Category includes Kaleidoscope Plus Group and Mental Health First Aid England which were separated out in the 2020 Financial Statements

5. Raising Funds

	Restricted funds	Restricted funds
	2021	2020
	£	£
Fundraising		
Staff costs	315,324	116,164
Consultancy	2,800	56,270
Other costs	29,371	25,995
Office accommodation	10,533	8,208
Total	358,028	206,637

6. Charitable Activities

(a)	Delivery of Shout Service	Delivery of Shout Service
	2021	2020
	£	£
Staff costs	3,559,228	3,033,621
Other costs	1,060,620	1,328,395
	4,619,848	4,362,016
Share of support costs (see note 7)	948,393	781,406
Share of governance costs (see note 7)	14,974	16,500
	5,583,215	5,159,922
Analysis by fund		
Unrestricted funds	3,434,871	38,102
Restricted funds	2,148,344	5,121,819
Total	5,583,215	5,159,921
(b)		
Clinical Supervision	2,359,367	2,078,061
Volunteer training and support	585,892	657,418
Information technology and data security	582,537	487,132
Communications and Partnership management	531,330	759,524
Data Insights	448,298	261,848
Other management staff costs	112,425	118,035
Total	4,619,848	4,362,016
Share of support costs (see note 7)	948,393	781,406
Share of governance costs (see note 7)	14,974	16,500
Total	963,366	5,159,922
Clinical Supervision		
Staff costs and Consultants	2,207,687	1,920,317
Other Clinical Supervision costs*	80,499	52,450
Office accommodation	71,181	105,293
Total	2,359,367	2,078,061

Volunteer training and support

Staff costs and consultants	491,931	556,480
Other Volunteer training costs*	13,439	2,351
Training and Community Management	49,101	43,500
Office accommodation	31,420	55,087
Total	585,892	657,418

Information technology and data security

Staff costs and Consultants	401,283	297,743
Tech and data costs	166,478	171,726
Office accommodation	14,775	17,664
Total	582,537	487,132

Communications and Partnership management

Staff and Consultant costs	395,180	440,240
Service Marketing and Overheads	123,067	305,545
Office accommodation	13,083	13,740
Total	531,330	759,524

Data Insights

Staff and Consultant costs	336,082	191,200
Data Insights costs	54,232	10,418
Imperial Partnership costs	50,000	50,000
Office accommodation	7,983	10,230
Total	448,298	261,848

Other management staff costs

Other management staff costs and consultants	110,042	114,174
Office accommodation	2,383	3,860
Total	112,425	118,035

*Renamed category

7. Support Costs

	Support costs	Governance costs	Total	Support costs	Governance costs	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Staff costs	526,051		526,051	394,397		394,397
Depreciation	2,240		2,240	2,214		2,214
Accountancy fees	8,776		8,776	10,715		10,715
Consultant costs	24,587		24,587	30,378		30,378
Legal and professional costs	11,390		11,390	36,019		36,019
Office accommodation costs	32,993		32,993	24,679		24,679
Outbound Messaging Costs	227,374		227,374	180,348		180,348
Other staff related costs	89,735		89,735	90,566		90,566
Miscellaneous	25,246		25,246	12,090		12,090
Audit fees		14,974	14,974		16,500	16,500
Total	948,392	14,974	963,366	781,406	16,500	797,906
Analysed between Charitable Activities	948,392	14,974	963,366	781,406	16,500	797,906

Governance costs include payments to auditors of £14,974 (2020: £16,500) for audit fees and assistance with the preparation of the statutory accounts. MHI also outsources payroll included in Accountancy fees above. Payments to them for these services totalled £8,592 (2020: £10,715)

8. Trustees

None of the Trustees (or any person connected with them) received any remuneration, benefits or reimbursement of expenses from the Charity during the period.

9. Employee costs

	2021	2020
	Number	Number
Average number of employees during the year	79	62

	2021	2020
	£	£
Employment costs		
Wages and Salaries	3,675,411	2,991,248
Social Security costs	363,313	293,931
Other pension costs	361,879	259,004
	4,400,603	3,544,183

Redundancy and settlement payments of £36,312 (2020: nil) were made in the year.

For 2021, the key management personnel of the charity comprised the Trustees, the Chief Executive Officer, Clinical Director, Senior Clinical Advisor, Director of Communications and Marketing, Director of Data Insights, Director of Strategy, Director of Finance and Operations, Director of IT and Security, Director of Income Generation, Head of Operations, Head of Safeguarding and Clinical Managers. The aggregate remuneration was £1,171,671.06 (2020:£1,084,839)

The number of employees whose annual remuneration was £60,000 or more were:

	2021	2020
	Number	Number
£60,000 - £69,999	8	8
£70,000- £79,999	0	2
£80,000- £89,999	1	1
£90,000- £99,999	4	1
£110,000- £119,999	1	1

10. Tangible Fixed Assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 January 2021	15,294	105,193	120,487
Additions	0	38,292	38,292
Disposals	0	-28,176	-28,176
At 31 December 2021	15,294	115,309	130,603
Depreciation			
At 1 January 2021	4,089	57,110	61,199
Depreciation charged in the year	2,240	32,701	34,941
Depreciation on disposal	0	-25,051	-25,051
At 31 December 2021	6,329	64,760	71,089
Carrying amount			
At 31 December 2021	8,965	50,549	59,514
At 31 December 2020	11,205	48,083	59,288

11. Fixed asset investments

		Other investments
	£	
Cost or valuation		
At 1 January 2021		£100
Additions	0	
At 31 December 2021		£100
Carrying amount		
At 1 January 2021	£100	
As at 31 December 2021		£100

Other investments comprise of:

	2021	2020
Investments in subsidiaries	£100	£100

Notes

Fixed asset investments not carried at market value

The investment in the subsidiary represents the £100 share capital purchased at cost. The subsidiary is currently dormant.

12. Debtors

	2021	2020
	£	£
Amounts falling due within 1 year		
Other Debtors	313	410,536
Prepayments	25,906	48,679
Accrued Income	635,878	107,135
Long term:		
Deferred Expense	516	368
Total	662,613	566,718

13. Creditors: Amounts falling due within one year

		2021	2020
	Notes	£	£
Accruals and Deferred Income:			
Accruals		111,950	309,618
Deferred Income	16	122,832	23,629
Total		234,782	333,247
Tax and Social Security:			
PAYE liability		89,331	93,608
VAT Control		43,441	0
		132,772	93,608
Pension liability		34,655	30,038
Other Creditors:			
Investment in subsidiary		100	100
Total		402,309	456,993

14. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Rent	31,193	0
Repayable Loan	3,000,000	0
Total	3,031,193	0

MHI received on 22 September 2021 an unsecured repayable grant of £3m from the IGY Foundation, a registered charity, (2020: £0). This was to fund working capital and fund core costs over a period of up to three years. The agreement states that the funding will not be repayable during the deferred period. The deferred period is 12 months from the drawdown date. After this deferred period the loan is repayable when cash balances (excluding the repayable grant) exceed the MHI reserve at each quarter day as defined in the agreement which are as follows:

MHI Reserve Level	Period
£2,750,000	12 months from drawdown
£3,000,000	13 – 24 months from drawdown
£3,250,000	25 – 36 months from drawdown

The outstanding balance shall be repaid at the end of the 36 month period.

14a. Deferred Income

	2021	2020
	£	£
Deferred Commissioned Income b/f	23,629	0
Released to income in the year	-23,629	0
Deferred Commission Income in the year	122,832	23,629
Total Deferred Commissioned Income	122,832	23,629

Deferred Income was calculated when we invoiced a commissioned partner in 2021 and the service, or part of the service, related to the following year.

15. Retirement benefit schemes

Defined contribution scheme

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

The charge to profit or loss in respect of defined contribution schemes is £361,878 (2020:£259,004)

16. 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:

	Movements in funds in 2020			Movements in funds in 2021			Balance as at 1 January 2022
	Balance as at 1 January 2020	Incoming resources 2020	Resources expended 2020	Balance as at 1 January 2021	Incoming resources 2021	Resources expended 2021	
	£	£	£	£	£	£	£
Shout service	402,712	4,774,291	-4,927,003	250,000	2,157,000	-2,407,000	0
Imperial Partnership and Data Insights	130,000	125,000	-255,000	0	0	0	0
Huang Foundation	0	0	0	0	529,000	0	529,000
One Space	0	75,000	-64,293	10,707	0	-10,707	0
Our Frontline	0	80,000	-80,000	0	2,085	-2,085	0
NHS England	0	88,741	-2,160	86,581	0	-86,581	0
Total	532,712	5,143,032	-5,328,456	347,288	2,688,085	-2,506,373	529,000

The Shout service relates to funds to provide support services to individuals struggling with their mental health through text services.

Imperial Partnership and Data Insights funds support the growth of Mental Health Innovations, particularly the data analysis and research work for the development of further innovations in mental health

Huang Foundation funds support the data analysis and research work for the development of further innovations in mental health

One Space relates to a special project programme which aims to support people under the age of 25 to find appropriate support for their mental health during the COVID-19 pandemic and its aftermath.

Our Frontline is a collaboration between MHI, Mind, the Samaritans and Hospice UK. This service offers a curated set of resources and services to offer round-the-clock one-to-one support to frontline health, care, emergency, education and key workers.

NHS England is an agreement that provides a helpline accessible 7 days a week, able to be setup and delivered nationally, to all ages of NHS staff, with clinical oversight, providing immediate, anonymous and confidential support for any health and care staff member, requiring mental health or crisis support at any time.

17. Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Tangible Assets	59,514	0	59,514	59,288	0	59,288
Investments	100	0	100	100	0	100
Current assets/ (Liabilities)	3,684,983	529,000	4,213,983	1,541,850	347,288	1,889,138
Long term liabilities	-3,031,193	0	-3,031,193	0	0	0
	713,404	529,000	1,242,404	1,601,238	347,288	1,948,526

18. Operating lease commitments

At the reporting date the Charity has outstanding commitments for future minimum lease payments under non- cancellable operating leases, which fall due as follows;

	2021	2020
	£	£
Within one year	171,055	97,124
Within two to five years	78,485	-
	249,540	97,124

19. Related party transactions

The Chairman, Edward Wray, also sits on the board of The Mix which is a partner of Mental Health Innovations (MHI). The Mix was the first charity partner through which the Shout service was offered as a white label service during the 2018 pilot. No fee was paid to the Mix in this regard in 2021 (2020: nil). However, as part of the One Space Programme, where MHI worked in partnership where MHI worked in partnership with several charities including The Mix, MHI paid The Mix £30,000 from the Children in Need donation that was restricted to One Space.

The Royal Foundation is the founding donor supporting Mental Health Innovations in establishing the Shout service. The Trustee, Charles Mindenhall, also sits on the board of the Royal Foundation. No donations were received this year from the Royal Foundation (2020: £140,000).

The Trustee, Charles Mindenhall, also sits on the board of Hive Learning, which provides a learning and community management environment for Shout volunteers. A fee of £29,947 was paid to Hive Learning for delivery of this service in 2021 (2020: £32,668).

The CEO, Victoria Hornby, and the Trustee Charles Mindenhall, also sit on the board of Bridges Impact Foundation, which is one of the donors supporting Mental Health Innovations. In 2021 MHI received a donation of £50,000 (2020: £20,000).

Mental Health Innovations licences the technology platform underpinning the Shout service from Crisis Text Line. MHI received £nil (2020: £189,517) from Crisis Text Line.

20. Subsidiaries

The Charity owns 100% of the ordinary share capital of Give Us A Shout Limited (Company number 12273687 - England and Wales). The company is currently dormant and has an ordinary share capital of £100. Its registered office is Phoenix Brewery, 13 Bramley Road, London, England, W10 6SZ.

21. Cash Generated from Operations

a. Cash generated from operations

	2021	2020
	£	£
Surplus/ (deficit) for the year	-£706,122	£608,567
Adjustments for:		
Investment Income (SOFA)	-£12,546	-£4,528
Depreciation and Impairment of Tangible Fixed Assets	£9,890	£33,188
Movements in working capital		
(Increase)/Decrease in Debtors	-£95,895	-£164,857
Increase/(Decrease) in Creditors	£2,976,508	£239,172
Cash generated from Operations	£2,171,834	£711,542

b. Reconciliation of Net Cash Flow to Movements in Net Cash

	2021
	£
Decrease in cash in the year representing change in net debt	2,174,189
Loan changed to pre share as debt	0
Net cash at 1 Jan 2021	1,779,414
At 31 December 2021	3,953,603

c. Analysis of Changes in Net Debt

	At 1 January 2021 £	Non-cash Changes £	Cash Flows £	At 31 December 2021 £
Cash at bank and in hand	1,779,414	-	2,174,189	3,953,603
Debt due < 1 year	-	-	-	-
Debt due > 1 year	-	-	-	-
Total Net Funds	1,779,414	-	2,174,189	3,953,603