



Rethink
Mental
Illness.

**Directors' report,
Trustees' strategic report
and Consolidated
financial statements**

For the year ended 31 March 2022

Rethink Mental Illness

(Operating name of the National Schizophrenia Fellowship)
(a company limited by guarantee)

Registered Company number 1227970, Registered Charity number 271028

Rethink Mental Illness

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The Trustees of Rethink Mental Illness present their Directors' Report and their Trustees' Strategic Report, which together comprise the Trustees' Annual Report, and the Consolidated Financial Statements for the Charity for the year ended 31 March 2022 as required under the Charities Act 2011 and the Companies Act 2006.

Name and nature of the Charity

Rethink Mental Illness is the operating name of the National Schizophrenia Fellowship. The Charity was formed in 1972 and is registered with the Charity Commission of England and Wales. The Charity is also a company limited by guarantee and is governed by its Articles of Association.

The term "Charity" refers to Rethink Mental Illness and the term "Group" refers to Rethink Mental Illness together with its subsidiaries as set out in note 19.

Our mission and vision

Our mission is to lead the way to a better quality of life for everyone severely affected by mental illness. This includes people with lived experience, their carers, families and friends.

Our vision is equality, rights, fair treatment, and the maximum quality of life for all those severely affected by mental illness.

Our values

Commitment. We work tirelessly to provide support for everyone severely affected by mental illness.

Equity. We believe that in a world where discrimination and disadvantage exist, treating people with equity is critical to ensure justice and fairness for all.

Expertise. We constantly use our expertise to provide practical and personal support for people who are severely affected by mental illness.

Hope. We offer hope of a better quality of life for all those severely affected by mental illness.

Openness. We are open and transparent in all our work with beneficiaries, supporters, partners and the public to achieve change for people severely affected by mental illness.

Passion. We are passionate about leading the way to a better quality of life for everyone severely affected by mental illness.

Understanding. People who are severely affected by mental illness are at the heart of everything we do in our organisation – our membership, our governance and our workforce

Our year in numbers

- Excluding our commissioned helplines and our advice and information service, we directly supported more than **20,000 people** through our services. An increase of 31% on 2020/21.
- Our commissioned helplines answered more than **24,000 calls**.
- Our advice and information service, a free service for anyone in need wherever they live in England, directly advised **6,054 people**. An increase of 12% on 2020/21. Advice was delivered via 3,321 phone calls, 2,726 emails and letters and 1,288 webchats.
- We had more than **6.5 million visitors** to our website. An increase of 18% on 2020/21.
- By the end of March 2022 we had secured more than **750,000 followers** across our social media channels (Facebook, Instagram, LinkedIn and Twitter).
- Our work as a charity was mentioned over **2,000 times** in the media.
- We secured **13 new business contracts** including our Community Mental Health Unit, and in Accommodation, Community, Co-Production, Advice and Information and Criminal Justice services. Notably we are delivering new services in North West London, Islington, Gloucestershire, Hull & Humber, Norfolk & Waveney, and new national Money Advice provision.
- Additionally, we **expanded provision across 16 contracts**, developing activity in services ranging from Accommodation in Devon, Community in Derbyshire, Employment in Coventry & Warwickshire, Navigation in NE Lincs, Criminal Justice in the North East and Carers in Oxfordshire.

Our members

Our 2,252 members (as of March 2022) are central to our past and our future. We were formed by carers of people living with a diagnosis of schizophrenia and celebrate our 50th anniversary this year. Our first members laid the foundations for the Charity that exists today, which now helps thousands of people severely affected by mental illness.

Our many thousands of campaigners, supporters and donors, along with our members, give Rethink Mental Illness its mandate. Members are an important source of volunteers for our governance and peer support groups. They help shape the direction of our work through our Annual General Meeting (AGM) and the work of the Board of Trustees and other committees. Membership also provides people with a sense of belonging to an organisation that helps them to cope with the demands of living with severe mental illness, whether they have direct experience, or are a carer, relative or friend.

A message from our Chair of Trustees

Difficult though last year was, with the pandemic still constraining our lives, the beginning of the cost-of-living crisis, and war in Ukraine, it still contained, for me, two bright spots. The first was Rethink Mental Illness's continued resilience and responsiveness - all the more important as rates of reported mental illness have risen, almost in inverse proportion to statutory services' ability to cope. The second was a memorable personal highlight when, in November, I was honoured to be appointed Chair of Trustees for this wonderful Charity. I succeeded and I would like to thank the inimitable Philippa Lowe, my predecessor, for her many years of dedicated service to the Charity.

As Chair, I now take on the responsibility of setting the scene for this report, reflecting on what we have achieved and what the future may hold. This has a special poignancy in the year we are marking our 50th anniversary.

In 1972 carers of people living with a diagnosis of schizophrenia came together to form a Charity that would become Rethink Mental Illness. We were set up to provide crucial advice and information and 50 years later, though we work to change lives in many different ways, that remains a core function of our work. Representing the needs of anyone severely affected by mental illness, we are now a beacon of good practice delivering services across England. We tackle isolation by bringing people together through our support groups. And we run successful campaigns to improve people's experiences and health outcomes. Our social media channels are followed by three quarters of a million people and our website was visited over 6.5 million times between April 2021 and March 2022.

This annual report sets out our progress in achieving the four objectives identified in our 2021-23 strategy refresh:

1. We will drive the transformation of care and support for all people severely affected by mental illness, particularly aiding the successful roll-out of the community mental health framework over the period.
2. We will ensure that the services and activities we develop are led and shaped by experts by experience.
3. We will develop new and innovative partnerships to create wider social change especially with community organisations that enable us to reach underserved groups of the population.
4. We will transform our internal ways of working to underpin our delivery.

While welcome progress has been made in both awareness of and support for people living with common mental health problems, we exist because there is a desperate need to achieve the same for people experiencing severe mental illness. These may be people living with a diagnosis of bipolar disorder, personality disorder, schizophrenia or any mental illness which prevents them from doing many of the things other people take for granted.

We know that our mental health doesn't exist separately from our experiences and the environment we live in. Unstable housing, financial insecurity, poor physical health, lack of employment and isolation from family and friends, can all affect our mental health and make it harder to manage the symptoms and impacts of mental illness. Issues that have in recent years been compounded first by the pandemic and now the cost-of-living crisis.

We campaign to bring about change including our demand for a fairer welfare system. But we also know that the services we and others provide, including the NHS, need to change. Our pioneering Communities that Care model sets out a long-term vision which means we treat people as the individuals they are. Through community mental health transformation, we want care providers to work in a more joined up way, so people can find the support they need, much more easily and quickly. This is evidenced by our groundbreaking work in areas like Chester and Wirral, Coventry and Warwickshire, North West London, Sheffield, Somerset and North East Lincolnshire. This new way of working will help to ease the burden on social care and reduce pressure on the primary care system by supporting doctors and mental health professionals.

In a nutshell, we want to see that a person's needs are addressed regardless of where they first look for help. For example, if someone living with mental illness goes to the doctor but wants advice on housing (or goes to housing support and wants help with their finances) they need to only share their story once, rather than having to repeat difficult or traumatic experiences to multiple people in different services.

This is a new model that depends on everyone working differently. People can automatically come to the right place – because everywhere is the right place - and can then be supported as a whole person.

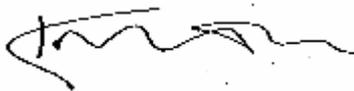
Objective 3 more specifically speaks to the need to support people from underserved groups of the population. In this we recognise that people from Black and minority ethnic backgrounds are disproportionately likely to experience severe mental illness due to social and economic factors including discrimination. People from these communities also face barriers to accessing the care and support they need. As a result, they are less likely to access help through their GP and more likely to end up in crisis care. To this end the value of equity underpins our work and this report also sets out the welcome progress we have made in our ambition to become an anti-racist organisation.

As much as our mental health is impacted by our experiences and the environment we live in, the Charity itself is also impacted by the wider political, economic and social environment. We face, alongside others, universal challenges. As this annual report sets out though, the Charity is in good health to withstand them, both financially and structurally, thanks to a programme of transformation and careful management.

Our 50 years of experience of delivering on behalf of people severely affected by mental illness puts us in good stead to carry on, build and grow at a time when the need for our work is greater than ever.

Finally, I know I speak on behalf of the whole Board in my admiration for the staff and volunteers of Rethink Mental Illness. They adapted at speed and with flexibility to the pandemic, and now like everyone else grapple with the cost-of-living crisis. It is down to their hard work that the Charity achieves all that it does. One thing that has struck me about each and every Rethink Mental Illness member of staff I have spoken to, no matter where they work in the Charity, is their passion for improving the lives of people severely affected by mental illness and their carers. Their commitment is an inspiration.

In addition to thanking our staff and volunteers I want to thank those who partner in our work and our loyal and dedicated members and supporters. With your help and support, we are changing lives.



Kathryn Tyson
Chair of Trustees

What we do

Rethink Mental Illness is the charity for people severely affected by mental illness. They are at the heart of everything we do.

Online, over the phone and face-to-face, we provide services that support and empower people to live and thrive independently in their communities. Every day, we help thousands of people to learn more about specific mental illnesses and treatments, understand their rights and access support that focuses on their wider physical health, financial, housing, work and volunteering needs.

We also provide local peer support groups across the country to help people living with mental illness and their carers support each other, grow in confidence and take greater control of their lives.

We campaign on a local and national level to ensure people severely affected by mental illness are listened to, treated fairly and have easy access to the health and social care services they need.

And we work with a wide range of organisations, including other charities, private businesses, the NHS and local authorities, to create communities that genuinely care for the wide range of people we support.

Informing and shaping all our work are people severely affected by mental illness. They are the ones who know best what they need and what must change.

We won't stop until everyone severely affected by mental illness:

- Has a voice in how their care, support and treatment is delivered.
- Has their rights respected and enhanced.
- Can receive recommended care and treatment, close to home, when they need it.
- Has a safe, secure and affordable place to call home, with the support they need to live there if required.
- Has access to networks, online and off, to develop friendships, new interests and receive peer support.
- Has their physical health taken seriously, so that their mental illness does not "overshadow" or cause avoidable physical ill health, leading to decreased life expectancy.
- Can work or volunteer in roles they love, with any support they may need, free from stigma and discrimination.
- Has enough money to pay their bills and live a satisfying life, able to rely on and navigate a welfare system designed to support, not penalise.

Our commitment to building communities that care – the work of our Community Mental Health Unit

When we started working with voluntary sector, NHS and local partners in Somerset, the clear message from people living with mental illness was that they wanted there to be no more 'wrong doors' to getting help. As one of our experts by experience said:

“The system was broken and fragmented. We were sent to various places, had to tell our story over and over again and we were told we didn't qualify... as a result we ended up going into crisis with very serious results for us and our families...”

That is why the way we have been working in Somerset, and now ten other places across the country, has been focused on knitting together all the help that's available in the community and wrapping it around the person. This work has been led from the beginning by co-production. We have recruited scores of diverse experts by experience across the country and placed them in positions of power within the transformation of the area's services.

In Somerset Open Mental Health, there are now on average 4,000 contacts a month, including 300 appointments a month at our community crisis safe spaces. Over 90% of people receive an intervention within four weeks. Where we have innovated with co-production we have seen services better fit people's needs. For example the delivery of physical health checks for people living with SMI has risen from 30% to 45%.

As outlined, we have now expanded both this way of working and the wider influence we have on systems around the country. In Chester and Wirral, Coventry and Warwickshire, North West London, Sheffield and North East Lincolnshire, we have broad alliances ready. A huge focus of the work has been recruiting experts by experience from underserved groups in the community and innovating new programmes of working in partnership with community groups that reflect the diversity of the areas.

We have also held webinars and produced publications, outlining our approach throughout the year. This has led to huge take up from NHS and local authority leaders, as well as new partnerships. Next year will see an even more ambitious programme of conferences and research.

But as well as working with system leaders, we are clear that we need to continue to support and develop the involvement and leadership of people severely affected by mental illness. The staff team offers guidance, help on co-production and the development of voluntary sector alliances. We are also working with the groups team to build our network of expert by experience leaders across the new world of 42 Integrated Care Systems. Our aim is to push the needs of people living with severe mental illness in the new NHS setup, and help systems provide the support people say they need.

This work embodies our Communities that Care approach on the ground. What we develop and learn we share with the wider Charity.

Our commitment to involvement and co-production

People with lived experience of mental illness and carers are at the heart of everything we do. In 2021/22 we made progress on implementing the Co-production and Involvement Strategy, which was co-produced with our Lived Experience Advisory Board (LEAB). The strategy drives our work to feed the insights of a diverse range of people with lived experience and carers into our business development, campaigns, policy and services activities as well as other parts of the Charity's work such as the advice and training we provide. We developed resources to support our staff to involve and co-produce and created a new role to support the implementation of the strategy. As planned, we launched the new Carers Advisory Board, working in co-operation with LEAB.

We have aligned our involvement and co-production practice within the Charity with our facilitation of involvement and co-production in six Integrated Care Systems. The scope of this work has grown significantly on the previous year. Over 50 people, whose lives have been severely affected by mental illness, including carers, have been supported in lived experience roles, to work as equal partners alongside system staff. The focus of lived experience input has remained on the joined-up community mental health service transformation, applying learning from our trailblazing co-production work in Somerset. We have developed our approach to connect with a wider range of people with lived experience in diverse communities, with new lived experience roles and staff roles to support this.

We have been commissioned to engage with the community and work with them to co-produce the strategy on mental health for some trusts. For other trusts and place we are working out the role co-production and involvement should play in their work. This includes in Provider Collaboratives which sit alongside and across Integrated Care Systems. Building on our experience of facilitating involvement and co-production in secure mental health services, we now work with the Greater Manchester, North West, South West, and For Me Provider Collaboratives (including secure care, perinatal, learning disability and autism, CAMHS, and eating disorders). We also work with the North West London Inner Cluster to support the development and implementation of a co-production strategy and framework for young people's mental wellbeing.

We have continued to champion the case for co-production with policy makers and system leaders, contributing to the Department for Health and Social Care's statutory guidance for co-production and its emphasis on building relationships with people and communities.

In addition, we have developed a space to bring in 'proof of concept' projects to explore new ideas of working, gain evidence to support policy positions as well as support national research into commissioning and frameworks, always ensuring the voice of lived experience is leading our approach. This year we delivered projects in partnership with Nuffield Bioethics on the role of digital technology in mental health services and ran a reference group for people who user services and carers to gather reflections on the audit data from people with lived experiences of psychosis for the National Clinical Audit of Psychosis.

Our commitment to becoming an anti-racist organisation

The murder of George Floyd by a white police officer in Minneapolis in May 2020, and the subsequent global response, asked a question of all of us: do we, as both individuals and organisations, do enough to challenge racism? This question prompted us to undertake a period of reflection and review. Following honest – and at times painful - conversations with employees, people severely affected by mental illness and partners across the health and social care sector and beyond, we made a commitment to become a truly anti-racist organisation.

One result of the racial inequality in society is that people from Black, Asian and minority ethnic backgrounds can experience different rates of mental illness than the majority white population. Things such as fear, stigma and lack of culturally sensitive treatment may also prevent people from accessing the mental health care they need. For Rethink Mental Illness, this means responding to this racial injustice and inequality by campaigning for better mental health support for people from Black, Asian or minority ethnic communities. Working with them to co-design the services they need and challenging the inequalities that underpin poor mental health. It also means creating a truly inclusive and anti-racist workplace. We have taken important steps to bring our anti-racist commitments to life. We commissioned Oxytocin-Learning to conduct an independent external review of our progress in becoming an anti-racist organisation.

We recognise that we have a long way to go. But we are making tangible, meaningful and equally important, sustainable progress in our commitment to becoming a truly anti-racist organisation. We have published our anti-racist statement and a race equality action plan, containing short, medium, and long-term activities that we are implementing to help us become a truly anti-racist employer, campaigning organisation and service provider with equity (or fairness) at the heart of everything we do as a leading, mental health charity. Along with adding Equity to our values, we have invested in resource to deliver our anti-racist strategy with the appointment of an Associate Director for Diversity, Equity, Inclusion and Race Equality; a Head of Equity Racial Justice; a Diversity and Inclusion Manager and a Diversity and Inclusion Officer.

Our ambition is underpinned by a strong governance framework to support the delivery of our anti-racist strategy. We have established a Race Equality Programme Board (chaired by our Chief Executive) which provides strategic monitoring of the Race Equality Action Plan and a Race Equality Delivery Group (chaired by the Associate Director for Diversity, Equity, Inclusion and Race Equality) to drive coordinated delivery of the action plan. And, on Windrush Day (22 June), we launched our Race Equality Staff Network which is enabling constructive challenge to our anti-racist strategy and a safe space for our minority ethnic colleagues to share ideas, discuss issues and support each other.

We are making improvements to our recruitment and attraction strategies to increase the representation of our minority ethnic staff at all levels and we are undertaking inclusive leadership and anti-racist training amongst our senior and middle management colleagues to help us create an inclusive and anti-racist organisation.

Externally, we are also improving our data gathering to better understand who is using our mental health services to remove barriers to access and improve our service to Black, Asian and minority ethnic communities.

Racial disparities and the Mental Health Act

Through our national and local policy influencing, we are committed to advocating for improved mental health provision for Black and other minoritised groups.

Our ongoing campaign to reform the Mental Health Act has in part been shaped and informed by data surrounding racial disparities, namely how many people from ethnic minority backgrounds are detained under the Act and their outcomes. We would like to see draft legislation to reform the Act go further by ensuring consideration of the wider determinants which lead to a person being sectioned under the Act. These include individual backgrounds, experiences and the needs of people treated under the Act.

At the same time, NHS England is taking forward the recommendation for a Patient and Carer Racial Equality Framework to improve outcomes for people from diverse backgrounds in inpatient mental health care. We are also involved in recommendations to deliver culturally appropriate advocacy. We acknowledge that more needs to be done to adequately address racial disparities, including the disproportionately high rates of Black men and women detained under the Act, subject to a Community Treatment Order and more frequent use of restraint of Black people. We will continue to advocate for meaningful change, including calling for the Act to directly address institutional racism, improvements in data collection and monitoring, and long-term funding of culturally appropriate advocacy.

<p>In 2020 our Advice and Information service created a new resource about the intersection of mental health and racial injustice. Between April 2021 and March 2022 this resource was viewed online more than 21,500 times.</p>
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Changing lives through our services

In 2021/22, we retained 100% of contracts at risk of retender (5 out of 5) including Community services in Milton Keynes and Walsall, Advocacy and Accommodation services in Devon and Prison services in the North West.

We secured 13 new business contracts including our Community Mental Health Unit, and in Accommodation, Community, Co-Production, Advice and Information and Criminal Justice services. Notably, we delivered new services in North West London, Islington, Gloucestershire, Hull & Humber, Norfolk & Waveney and new money advice nationally.

Additionally, we expanded provision across 16 contracts, developing activity in services ranging from Accommodation in Devon, Community in Derbyshire, Employment in Coventry & Warwickshire, Navigation in NE Lincs, Criminal Justice in the North East and Carers in Oxfordshire.

Across the year our services supported more than 20,000 people.

To help us better understand how our services are changing lives, we've progressed work to implement our new outcomes measures in our services. This has meant that we have been able to start measuring the difference that our services make to the lives of people we support. In turn we can use this information to understand the impact that our services have in local areas in which we are providing care and support.

In 2021/22 our **advocacy services** supported 6,534 people

Advocacy is something anyone of us might need at some point in our lives, as ability, social circumstances and financial situations can change. Our independent advocates work with people in difficult situations to help ensure their rights are upheld, their views and choices are respected and acted upon, and that they receive everything they are entitled to in order to live a happy and fulfilling life.

“Our Advocacy services continue to grow and find new and innovative ideas to reach more people. We now offer volunteer pathways in a number of services, allowing people who use services to give their time to supporting others, while being trained in advocacy skills and practice. This builds a natural trust between client and peer/volunteer, while helping improve work skills and employability for local volunteers. We now, proudly, have three permanent advocacy staff who started life as volunteer advocates. Another important development in the last year is the introduction of referral hubs which have allowed specialist advisors to manage all referrals and calls, meaning practitioners can focus on the needs of people who require extra support.

“Self-advocacy, whereby people, perhaps with encouragement and support, speak out and act on their own behalf – will always remain our ultimate aim. Through our amazing volunteers and passionate staff, we are supporting more self-advocacy than ever before by offering workshops and toolkits to people, so they take back control and remain central to decisions being made about them.”

Rethink Advocacy Lead

‘It was about eighteen months ago that a very close friend of mine told me about the Rethink Advocacy service and gave me their phone number. I had felt so defeated and I was convinced that no-one could help me. The Community Advocate picked this up immediately... I cannot overstate the amount of clear information, encouragement and motivation that I received. I slowly but surely noticed that my attitude changed and my confidence to deal with my issue using the information and support provided by my advocate grew more and more. I was delighted when I received an answer to my correspondence stating that the account had been cleared. Without the help from my advocate this would have definitely not happened. Thank you... it is so greatly appreciated”

Rethink Advocacy Client

In 2021/22 our **care home services** supported 282 people

Our 24/7 care home and specialist nursing services provide a safe, stable environment for people facing a mental health crisis or who have left hospital after being an inpatient. These services provide in-depth support that involves experienced and dedicated staff building up a detailed understanding of a person’s needs, including those relating to their physical health, which in many cases is neglected.

“We have been working closely with commissioners and our local CCG on alleviating winter pressure on inpatient beds in local hospitals. This has supported individuals who are well but are not ready to go back home. We support people who use our services to relearn lost skills and focus on improving lives and self-worth before going home. People have told us that this has been invaluable as they have been able to talk about their feelings and fears as well as engaging in specific tasks that they have struggled with before. It has also helped families understand individuals health needs through talking with staff and managers to gain an insight to mental health.”

Rethink Mental Illness care home manager

In 2021/22 our **crisis services** supported 705 people

We provide 24/7 crisis services in various locations across the country. These provide a safe space, empathetic staff and intensive one-to-one support. Staff in these services work closely with individuals to offer support, with the aim of avoiding hospital admissions.

“This service has not only provided support and a safe environment to explore my emotions but also respite for my family. Staff have been respectful and friendly which put me at ease when I arrived at the service”.

Rethink Mental Illness crisis service user

“I think it's an amazing service, the support is incredible, and the staff are great. Highly recommended for someone who is vulnerable and suffering with a mental illness”.

Rethink Mental Illness crisis service user

In 2021/22 our **carers services** supported 919 people

Our carers services support people from a wide range of backgrounds who care for a loved one with living with a mental illness. We deliver personalised support with tailored information about how to access the resources that are available to them and the person they care for. This can include access to carer's assessments from their local authorities, signposting, onward referral, emotional support, and practical support around benefits and finance. This is complemented by courses for carers covering topics including carers' rights and wellbeing. We also host peer support groups that connect carers with other people who share similar experiences and who understand their day-to-day challenges.

Whilst there has continued to be a reduction in the commissioning of specialist mental health carers services over recent years – with generic carers services now becoming more common – last year we did not see a reduction in our own carers services. We are developing relationships with other carers organisations to help recognise the vital and more dedicated specialist support often required by mental health carers.

“Throughout the pandemic we were pleased that we were able to provide a lifeline to carers which meant that they were able to improve their own wellbeing as well as the wellbeing of those they care for. This support was initially virtual during lockdown in the form of one-to-one goal centred support sessions, carer respite, group support and carer training. As the restrictions eased our carer support service has grown to include face to face support through carer surgeries, support groups, training, carer wellbeing reflexology and massage groups and a fun carer respite picnic with free cream teas and reflexology sessions in a local garden last month.”

Rethink Mental Illness, Carers Service Manager

In 2021/22 our **community support services** supported 5,038 people

Our community support services give people severely affected by mental illness access to personalised support to rebuild their lives and improve their social connectedness. Our diverse range of community services include Crisis Cafes, which provide out of hours support as an alternative to visiting A&E or contacting crisis services; befriending support services; emotional and practical support services, which support people into their local community; group-based support services providing short and longer term groups; peer support and mentoring services; Black and Minority Ethnic communities support services; recovery college education support services; and suicide prevention services

“Our community service launched in the Borough of Brent, London. Commissioned by CNWL NHS trust, the service has marked its footprint by offering a diverse range of service pathways including peer support, befriending, substance misuse, and workshops and groups. The service has now supported over 600 people, launched a multitude of psycho-educational workshops for staff, and members of the public, and launched a diverse range of groups accessible to people who use our services. As the service continues to grow, our aim remains to create a space of empowerment, independence and advocate for all those affected by mental health.”

Rethink Mental Illness, Community Service Manager

“We have set up four hubs across the county that provide a free drop-in service to anyone needing support with their mental health and wellbeing. It's a chance to meet one of our inclusion coaches and discuss what opportunities are available to help with wellbeing and find community support. We have also started three happy cafés in different parts of the county that run fortnightly; they are part of the happy café network. They provide a warm welcome for anyone interested in happiness and wellbeing and encourage people to meet together for a coffee and a chat.

“Aware that for many people online spaces are a more comfortable way to connect, we now have four digital tech buddies who are volunteers that provide support to people living with mental illness that enables them to connect digitally and in confidence. At the same time, our electronic foot print continues to grow and we provide online support via a Zoom social, CLIC Wiltshire and as part of various digital support platforms for people living with mental illness.”

Rethink Mental Illness, Community Service Manager

In 2021/22 our **employment services** supported 736 people.

Our employment services include Individual Placement Support (IPS) employment services. These services provide intensive support to assist people living with mental illness into paid work. This includes support with writing a CV and cover letter, job searching, job applications, mock interviews, discussion with employers around reasonable adjustments and support once in work.

“Last week we had someone who had gone out of their way to come back to say ‘Thank you’ to her past Employment Specialist who, two years ago had supported her into a part time Teaching Assistant role and remained supporting her until she felt confident and remained well. She is now a fully qualified teacher working full time and told me that she had to come back to tell us that were it not for her Employment Specialist encouraging and supporting her through the application process and the first few months, she wouldn’t be as well and happy in her job - in fact she was so daunted at the time, she couldn’t even imagine being in the position she is now especially with well managed health.”

Rethink Mental Illness, Employment Service Manager

In 2021/22 our commissioned **helpline services** took 24,735 calls.

When people call one of our commissioned helplines they might receive emotional support, signposting, crisis management, information, onward referral, or support to find new ways of managing their diagnosis. We respond to a vast range of different needs and are proud that the quality of response we provide is recognised by the fact that our helplines are accredited to the Helplines Partnership Quality Standard – demonstrating the highest quality support to our callers.

“Our helpline provides fast 24/7 access to callers in need of urgent mental health support. Our first response will be to try to avoid the need for a clinical intervention where possible; we are continuing to work alongside NHS clinical staff who can give support if this is required.

“We are now providing a priority line to support West Midlands Ambulance Service allowing them a rapid response when on scene with a patient who needs mental health support. The helplines have grown from strength to strength and have developed a strong, skilled, diverse team.”

Rethink Mental Illness, Helpline Contract Manager

In 2021/22 our **mental health services in prisons services** supported 5,011 people

We deliver primary mental health services in prisons across England that are based on expertise, the preferences of prisoners, and the best available evidence. These services are provided to individuals and groups of prisoners and are aimed at those who experience less severe mental illnesses such as mild or moderate anxiety or depression.

“The last year has seen our services provision expand to help more individuals leaving prison and meet their needs at an important time of transition for them. We have built a highly effective team including experts by experience, individuals who have lived the journey of custody to community. A structured framework has been developed to provide quality, specialised provision lifting the level of care individuals with mental health issues leaving prison have historically been used to. New roles have been developed based on feedback from previous clients and now we regularly receive feedback to say our service is having a huge positive impact on individuals' lives.”

Rethink Mental Illness, Criminal Justice Community Lead

In 2021/22 our **suicide bereavement services** supported 319 people.

Our suicide bereavement services are often ‘all age’ services and provide one-to-one emotional support to help people through their traumatic grief. We provide practical support, particularly in the early stages of loss, such as help with notifying companies of the death, support to attend inquests, with police interviews, with funeral arrangements, and to talk to employers or schools / colleges. They may also provide bereavement support groups and bereavement counselling.

“I'm so proud to be part of such a professional, empathic, passionate, and committed team. The volunteer counsellors, volunteer group facilitators, suicide bereavement workers...all dedicated to support our community by delivering quality support to those experiencing loss by suicide. As a team we are privileged to walk with and be a part of our client's journey to healing.”

Rethink Mental Illness, Service Manager

In 2021/22 our **supported housing services** supported 581 people

Our supported housing services are provided in two formats: shared living spaces where staff are always on site, and self-contained flats that staff regularly visit. In both environments, our trained staff worked with people living with mental illness to identify their individual goals and aspirations and the support they need to make these ambitions a reality.

“First time in my life I feel safe.”

Rethink Mental Illness supported housing service user

“I've received all the support and advice needed to make massive strides forward on my journey to recovery. The kind, compassionate and understanding staff have all helped me greatly.”

Rethink Mental Illness supported housing service user

Making a difference through Mental Health Navigators

In Grimsby, in a pioneering project delivered by Rethink Mental Illness and funded by Mental Health UK and Johnson & Johnson, we are trialling the use of a Mental Health Navigator to improve community support for people severely affected by mental illness. In 2021/22 our Navigation service supported 354 people. This is Nicola's story:

Nicola reached out to her GP as she lives with bipolar disorder and wanted to link up with mental health services in the area as she had just moved there. At the time, two of her loved ones had recently passed away and she wanted to access support before symptoms she was experiencing escalated. She was also feeling isolated in her new home and was concerned with her recent loss that things would become unmanageable.

Through her GP she had a medication review and was supported clinically. At the same time she was referred to our Mental Health Navigation service to address the isolation she was experiencing. Nicola and her Community Mental Health Navigator identified that a lack of social connectedness was key.

Nicola's meetings would often take place in the community and be 'walk and talk' sessions. This meant she was able to become accustomed to her new environment and start to feel more comfortable in the area. Through the service she tried a number of local social support groups, including coffee mornings, a sewing group and even disco bingo.

Some of these didn't work for her. In one instance someone at a group made a comment about people living with mental illness that made Nicola feel very unwelcome. By having a Mental Health Navigator to work with she felt comfortable to walk away from the groups that didn't suit her and focus on creating a social network of people she enjoyed spending time with. Nicola quickly grew in confidence and now has the social connections she was missing; she regularly attends local groups and no longer has concerns for her mental health. Nicola found being discharged from the service was just as easy as the referral process for her and was a mutual decision.

Nicola is grateful to have had a personal service that responded to what she needed. She continues to try new things in the community and was recently in the learning centre looking at courses to pursue.

Changing lives through our groups and peer support

In 2021/22 we established and registered six new peer support groups. We now support 126 peer support groups, which include:

- 35 groups for people living with mental illness.
- 43 groups for carers.
- 47 groups for carers and people living with mental illness.
- 2 groups for siblings.

Below we hear from two of the new groups:

The Wiltshire Hearing Voices Group provides a safe and non-judgemental space where people with unusual sensory experiences, such as hearing voices, smelling, seeing, tasting, or sensing things others do not, can share experiences and coping strategies. The coordinator talks about how up to 1 in 10 people hear voices, and many are frightened to talk about them, which is not surprising when considering the often-negative image presented in the media. The group strives to alleviate this fear.

Nin, who attends the group said, "People don't believe what they can't see. They torment me and say, "I don't believe that you hear voices." I have felt so alone." For many people the group is the only place where they can talk about such experiences.

One other member said, "I get the feeling that when people come together with good intentions that good, deep healing can occur."

The Mom's Mindful Hub coordinator explains:

"Being a mum with young children can be isolating for some and this feeling is magnified when battling with a mental health condition. Our group aims to empower local mums to connect with each other, either online or face to face; talking about the challenges around motherhood and mental health together, we normalise that doing your best still makes you a great mother and you will always be enough.

"I love being part of the Mom's Mindful Hub community. I have been attending the group with my little one for over a year and have always felt welcome and included. My little one loves the various activities that are available and has made some lovely friends too, and so have I. Having a safe space to talk is so refreshing and the support that everyone gives one another is not found in other mother and child groups. I think that Mom's Mindful Hub is truly unique, and I am so glad I found them!"

Another member says, "It can be daunting to open up and share our mental health struggles, especially as a mother. After having my second child during lockdown I have been experiencing difficulties leaving my house. The help and support I've received from Moms Mindful Hub is invaluable. They've played a vital role in helping me to start moving forwards building my confidence and engaging in social activities."

Changing lives through our advice and information

“If you’re struggling, or worried about someone else, don’t avoid or dismiss it. Seek support as soon as possible. Our dedicated team of advisors can support you with your journey.”

Head of Advice and Training, Rethink Mental Illness

Our advice and information service gives free practical advice to adults living in England who are affected by mental illness. We advise people living with mental illness, their friends, families and carers. We also advise professionals who may want to know more about mental illness and how they can support the person they are working with. Advice is delivered over the phone, via our freephone number, email, letter and webchat.

Recognising the range of issues that impact on people affected by mental illness, the Advice Service is expertly trained to provide up to date information on mental health conditions, access to care and treatment, different medications, individual rights under the Mental Health Act, Care Act, Mental Capacity Act and welfare benefits. When further support is needed around welfare and/or debt issues we refer people directly to our partner service Mental Health and Money Advice. We also give advice to carers about their rights and how they can support the person they care for.

In 2021/22 the service directly advised 6,054 people. This was an increase of 12% compared to 2020/21. Advice was given via 3,321 phone calls, 2,726 emails and letters and 1,288 webchats.

The top five topics of enquiry for 2021/22 were:

1. Mental Health Care: 1,691 instances of advice
2. Rights & Laws: 1,488 instances of advice
3. Living with Mental Illness: 1,466 instances of advice
4. Carers & Relatives: 1,126 instances of advice
5. Money Matters: 781 instances of advice

After taking advice from us, 92% of respondents said that they had a better understanding of their situation and 88% felt more able to take action.

When delivering advice and information we take pride in treating people as individuals. Respondents scored us 97% when asked if the service treated them with dignity and respect and 97% when asked if they had felt listened to.

The Advice Service also provides and regularly updates a range of information on our website. With sections on mental illness, living with mental illness, rights & restrictions and a carers hub. In February 2022 our information was accredited with the PIF TICK (the UK-wide Quality Mark for Health Information), following a thorough external assessment. This gives extra assurance to our readers that our information is high quality and trustworthy.

Demand for our online resources soared during the pandemic – between April 2019 and March 2020 there were nearly 3.5 million visits to our website, by comparison between April 2021 and March 2022 there were just over 6.5 million visits to our website, an increase of 3 million (or 86%). And demand for our information has remained high since this period and we have seen another increase in visits to our information pages during 2021/22 compared to 2020/21.

86% of respondents who accessed information on our website felt their knowledge had improved.

“I felt reassured by the Rethink website. It came across like a great organisation. I thought great, this is what I want, this is what I need. I am grateful, I already came across a lot of useful information before calling. I already used some to write to the hospital. The oasis in a desert. That’s what it felt like. After speaking to you, even more so. Thank you for the work you do.”

Rethink Advice and Information service client

“Your advisor has made a big difference; she's been the gateway to me getting some help and advocacy after 45 years of not telling anyone about my borderline personality disorder. But now that my children are under children social care I'm being misunderstood by the services and I'm feeling abused and persecuted. Your service are the only ones who've actually listened, so, I really thank you. It's been empowering and actually I don't really have any words because I'm a bit speechless by the good works that you are doing.”

Rethink Advice and Information service client

Making a difference through delivering Breathing Space

'Breathing space' is a debt scheme introduced by HM Treasury on 4 May 2021 which allows clients with problem debt to get legal protection or a 'breathing space' from their creditors. There are two types of breathing space (Standard and Mental Health Crisis) and we were awarded the contract to deliver the Mental Health Access Mechanism applications. A mental health crisis breathing space is a debt respite scheme for people currently receiving mental health crisis treatment certified by an Approved Mental Health Professional (AMHP) for as long as that crisis lasts.

The breathing space team consists of an administration team, who process referrals for breathing space applications, and a debt team, who provide clients with money guidance and debt advice.

Angela O'Carroll is a Team Leader on the administration team and explains more about her team's role and how breathing space works:

"When we receive a referral form for a client to be entered into mental health crisis breathing space, we run checks to ensure that the client is eligible and we then enter them onto the breathing space portal, which is managed by the Insolvency Service. When a client is put onto the portal, their 'breathing space' becomes live from midnight. The clients' creditors receive a notification to alert them to the breathing space and therefore pause enforcement action. This means that for as long as the client is receiving crisis treatment (plus an extra 30 days on when their treatment ends), their creditors cannot chase them for payment of the debt or enforce the debt or add interest and charges. This takes a huge amount of pressure off a client who is receiving crisis treatment and whose primary goal is to focus on their mental health."

Sarah Hodgson, a Senior Mental Health and Money Adviser on the debt team, discusses the help and support they are able to offer to clients:

"Our role on the debt team is to reach out to clients to offer them debt advice and answer any concerns or queries they have. We recently helped a client remain in her home by adding her rent arrears to breathing space and then negotiating a payment arrangement with her landlord. We also advised her on ways to maximise her household income, including helping her with a Personal Independence Payment application and applying for an energy grant to clear her fuel arrears. This massively reduced her housing and money worries."

"The advantage of our service over other debt services is we offer support based on a client's needs and can work at their pace, being fully aware of how a client's mental health and crisis treatment can impact their daily lives. We can support clients whilst they are still in breathing space or, if this is unsuitable due to their mental health needs, we can contact them to offer advice once their treatment is ending."

Changing lives through our influencing and campaigns

2021/22 has been a busy time in our policy influencing and campaigning work to push for improvements for everyone living with mental illness.

Finances and Social Security

Recognising its impact on mental health, we re-doubled our efforts to understand the mental health impact of social security and finance policies so that we could seek opportunities to influence them for the better. This included close working with our Mental Health and Money Advice Service to understand the experiences of its clients, and we conducted a financial issues survey where people told us how much money worries impact on their mental health. Even before the current cost-of-living crisis, people told us they were struggling to meet basic day-to-day costs, such as food and repairing or replacing essential items. We used the knowledge gained through these exercises to respond to 2021's Health and Disability Green Paper presenting multiple, evidenced recommendations for how mental illness should be better considered within the social security system.

We responded to the Work and Pensions Select Committee's inquiry into Health Assessments for Benefits. Following our written submission, we were invited to give evidence at a Committee session. We relayed the experiences of clients and practitioners, for example informing the committee that neither the Work Capability Assessment (for Universal Credit and Employment and Support Allowance) nor the Personal Independence Payment are working for people living with mental illness. Both appear to be designed more with physical health in mind, and the assessors often lack specific experience in mental health.

Stop Benefit Deaths

This year our campaign on the issue of deaths and serious harms linked to the benefit system has been a major focus. We have published two substantial reports on the issue: *Tip of the Iceberg*, which used public data from media and government sources to show the scale and severity of the problem and *We're Just Numbers to Them*, which explored the issue in greater detail based on our own survey of people affected. During the campaign we have worked closely with bereaved families. More than 1,000 campaigners have written to the Secretary of State in support of our demand that she should meet the families and we have had the issue raised at Prime Minister's Questions. We worked with the All Party Parliamentary Group (APPG) on Mental Health to organise an event where key MPs such as the Shadow Secretary of State for Work and Pensions heard first hand from several people who had lost loved ones because of problems with the benefit system.

Behind the scenes, we also put our case for a full public inquiry and an independent system to investigate future cases to key stakeholders, such as the Minister for Disabled People and the Chair of the Work and Pensions Select Committee.

Psychosis awareness

In March we launched a new campaign aimed at 18–35-year-olds to raise awareness of the increasing numbers of young people experiencing the symptoms of psychosis. When people have a suspected first episode of psychosis, it is best if they are immediately referred to an Early Intervention in Psychosis (EIP) service. These services can be life changing, with strong evidence showing that treatment is most effective when started early. However, low public awareness, fears of engaging with mental health services and persistent stigma mean people do not ask for help as soon as they could and this delay in seeking help can have a devastating impact on people and their families. With this in mind, the campaign sought to encourage young people to seek the support they need as early as possible. We promoted the campaign nationally via social media and on billboards and large posters including at student union sites in London, Manchester, Birmingham and Liverpool (which have high prevalence rates). A psychosis hub on our [website](#) featured case studies and information for people looking for advice.

Mental Health Social Care

Social Care is critical to people with mental illness as it helps both keep people well and out of hospital, as well as aiding recovery. However, the political and media narrative on social care often focusses on older people - despite mental health social care representing £1 in every £12 spent on social care. This year we set about challenging the under resourcing and marginal focus on Mental Health Social Care. Through our work with the APPG on mental health, we held an event with expert speakers raising the profile of Mental Health Social Care with parliamentarians. We produced a briefing on what it is, what it means for people who are severely affected by mental illness and their carers and the action needed from government. We backed this up with submissions to policy makers such as responding to a White Paper on social care reform and we provided written and oral evidence to the Levelling Up, Housing and Communities Committee inquiry on long-term funding of adult social care.

Mental Health Navigation

As previously outlined in this report, Mental Health Navigation is a model embedded in primary care providing capacity to support people living with mental illness with their unmet non-clinical needs. As the pilot reached its one-year mark the positive impact was clear and we began to map out our influencing plan to see the model provided in more areas and ultimately support more people.

In August we developed a policy briefing that highlights the impact that the pilot is having in Grimsby, North East Lincolnshire, and we continue to share this proactively with key national stakeholders. In December we planned and started the development of a Mental Health Navigation Toolkit. Our aim is to compile resources and examples of good practice for local healthcare providers. This piece of work will support our ongoing influencing activities, making the case for increased roll-out of Mental Health Navigation services at scale for local healthcare commissioners and relevant national stakeholders, alongside an external evaluation being conducted by the Tavistock Institute.

Community Mental Health Transformation

This year marked an exciting moment in the transformation of community mental health. In the previous year we co-produced a series of guides for STPs piloting the transformation. This year, a new framework was rolled out nationally and we are building on our earlier guide with research funded by Janssen-Cilag Ltd UK. We have conducted a survey and interviews with key actors on the ground involved in the transformation. In the next reporting period we will publish a new good practice guide based on challenges and solutions that people have found in different areas in order to share their learning.

Chairing the Mental Health Policy Group

The Mental Health Policy Group (MHPG) is an informal coalition of six national organisations working together to improve mental health through policy influencing activities at national level. The group is made up / comprises of the Centre for Mental Health, Mental Health Foundation, NHS Confederation's Mental Health Network, Mind, Rethink Mental Illness and the Royal College of Psychiatrists. Each organisation chairs the group on a rota and it was our turn from October 2021 to April 2022. During our tenure we chaired and coordinated multiple meetings between the group and senior government officials, parliamentarians including ministers and other key stakeholders. The group achieved much during this time including various amendments to the Health and Care Bill, including on workforce and representation on Integrated Care Boards

Racial Equity

In March 2021, we resourced and recruited a permanent role within the policy team which has a particular focus on race. The Head of Equity and Racial Justice is strategically placed within the policy and practice team with the purpose of influencing policy by addressing inequalities and injustice in the health and social care system.

Through this role, we have begun to scope and broaden our links with organisations who support people from racially diverse communities who are affected or supporting those experiencing severe mental illness.

Delivering through our partnership with Mental Health UK

“Individually we are mental health experts in our respective nations. Together we are an even stronger team.”

Mental Health UK brings together four national mental health charities working across the country: Adferiad Recovery (Wales), MindWise (Northern Ireland), Rethink Mental Illness (England) and Support in Mind Scotland. The four charities combine their experience in one partnership to improve life for anyone affected by mental illness delivering the following programmes:

Mental Health and Money Advice

The service delivers a remote-access casework service for people living with mental health and money problems. Caseworkers have a full understanding of the money issues that affect people living with mental illness. By providing support with welfare benefits claims and finding solutions to any debt problems the service helps people increase their income. There is also a website that provides a wealth of information on how someone can manage their money whilst experiencing a mental health problem.

In 2021/22 the core service supported 971 clients across the UK, with a further 985 referred into Breathing Space. Collectively, clients saw their financial situation improve by nearly £7.8m and 82% of clients reported an increase in their wellbeing as a result. The website saw over 770,000 visitors, with 92% saying they found the content helpful.

One website user said: *“I have Mixed Anxiety and Depressive Disorder and as a result I cannot work. I have found the ESA and Work Capability Assessment system to be an absolute nightmare so the thought of having to deal with this change made me very anxious. Thank you for such clear advice. I have used your website in the past and have found it to be the best one where mental illness is concerned. Thank you for the help you provide.”*

Bloom and Your Resilience

We currently deliver two UK-wide young people's programmes: *Bloom* which supports and builds young people's mental health resilience in education settings, and *Your Resilience* which does the same for young people on Child and Adolescent Mental Health Services (CAMHS) waiting lists and those in elite sports talent pathways. Both programmes aim to equip young people aged 14-18 with knowledge and tools to maintain their mental health resilience through life transitions.

In 2021/22 *Bloom* trained 1,527 teachers and reached 85,723 young people and the *Your Resilience* trained 96 professionals CAMHS workers, Sports coaches etc and reached 588 young people.

Many young people accessing Your Resilience through the CAMHS pathway felt that the support they received while on a CAMHS waiting list was really helpful, some didn't need further support with CAMHS so came off the waiting list. Overall, the programme enabled

participants to be more positive and stay calm, giving them skills needed to cope with their emotions.

"I have been diagnosed with anxiety and OCD. I have intrusive thoughts about death. When discharged [from CAMHS] I become increasingly worse and was referred to these sessions which I have enjoyed. I take notes throughout each one and remember what has been taught. I am currently attempting to journal and write down thoughts as they happen."

Young Person, CAMHS

In the sports talent pathway, Your Resilience has worked with 17 different sporting organisations including England Squash, British Wrestling, Derby FC, Motorsport UK, England Hockey, British Triathlon, and the Manchester United and West Bromwich Albion women's academy teams.

"I have learnt that mistakes are positive things and that they help you grow. I have also learnt that a good balance between your inner coach and inner critic is a perfect way to be resilient. It also has taught me how to be organised and when to balance schoolwork and football."

Young Person, Manchester United Women's U14 Team

Clic

Clic, Mental Health UK's free online peer support platform has seen a 55% increase in users, meaning more people are now accessing a safe, supportive environment to connect with others online. With almost 10,000 people now registered on the platform, there are just under 2,000 conversations happening each month with people sharing their mental health journey on chat and forums, and accessing advice and information guides, as well as recorded Q&As with mental health experts.

Clic has also expanded with the creation of local communities, providing people who are looking for support with their mental health access to local information and services in Wiltshire, Gloucestershire, and Somerset. Further communities are planned for Bristol, Swindon, and Bath while we've also linked up with our Young People's Programmes to launch dedicated spaces for parents and teachers to support one another and access resources including conversation guides and lesson plans.

Helping Communities Prosper

January saw the launch of Mental Health UK's Helping Communities Prosper project, in partnership with Lloyds Banking Group. Aiming to relaunch, restore and respond to the mental health crisis caused by the Covid-19 pandemic, four 'Signature' projects have been established in London, Birmingham, Bristol, and Halifax to pilot new ways of delivering vital services that meet the mental health needs of local communities, in particular Black and minority ethnic communities that have traditionally been underserved and were more impacted by the pandemic. Helping Communities Prosper has also seen funding made available to Rethink Mental Illness services across the country to help people who use our services and staff reconnect with one another and refresh facilities.

Our commitment to Internal transformation

We have continued our work on transforming our internal infrastructure to support the delivery of Communities that Care. This year, and as we move out of the pandemic, there has been considerable progress on providing employees with a modern, fit for purpose workplace environment to carry out their roles effectively. This has enabled us to support managers and employees with new ways of working and benefitting wellbeing and engagement. A move to a new London office has complemented our hybrid working model and has provided a modern office and hub with the introduction of flexible meetings, collaborative spaces, and video conferencing technology.

This year has seen the first phase of a major transformation of IT infrastructure, business software and service provision across the entire Charity. This has been driven by several factors including an aged network, the rapid move to hybrid working, the need for effective information systems, and the desire to ensure a higher quality of IT service provision for staff. As part of this work, we have started the implementation of new Contact Relationship Management (CRM) and Housing systems, along with the first stage of significant modernisation of our corporate business applications and data management. This has resulted in enhancements to cyber security, network provision, telephony, device applications and Cloud storage.

There has been considerable investment in the development and roll-out of a leadership and management development programme, designed to support leaders and managers in understanding their responsibilities and to be equipped with the skills and behaviours to lead, manage, and deliver results through their people. We have also invested in further resource specifically focussed on diversity, equity, and inclusion. This will support our mission to reach underserved groups, encourage our employees to flourish and perform, and form an integral part in how we recruit and retain the best talent. We considered the findings of an independent external organisational review on our progress towards becoming an anti-racist organisation.

These findings, and the recommendations from our internal race pledge groups, formed the basis of the development of a race equality action plan.

The year ahead will continue to focus on supporting the organisation to deliver Communities that Care. The overhaul of our information systems will progress further, focusing on the implementation of the CRM and Housing systems, the launch of a new intranet to improve collaboration and provide a better platform to share resources and good practice, and the continued modernisation of our IT architecture. Other initiatives will include further leadership and management development, a review of our pay structure, delivery of the first year of our racial equality action plan, and the development of an organisational approach to measuring our impact on improving the quality of life for our beneficiaries.

Fundraising

We would like to say a massive thank you to all our incredible supporters who have championed Rethink Mental Illness throughout the year, enabling us to continue to provide valuable services to people severely affected by mental illness. Your commitment, energy and creativity has meant that over £3.3million was raised through events, donations, gifts in wills and charitable grants.

£1,306,000 was received through gifts in wills during 2021/22 and we are grateful to all of those individuals who chose to remember us in this way. We would especially like to acknowledge Frances Hollander, Margaret Klenk and Eva Good for supporting us with significant gifts in their wills, these donations provide a valuable source of unrestricted income which allows Rethink Mental Illness to operate in the areas where the need is greatest.

Our Christmas appeal in 2021 encouraged supporters to donate to help provide home essentials for tenants affected by mental illness arriving at our supported housing services in Gloucestershire. The generous donations received meant we have been able to give new arrivals, who might otherwise be homeless, many basic items which could be taken for granted, such as toothbrushes, bedding and curtains. We are very grateful to all our supporters who donated to make this possible.

Our In Memoriam supporters choose to help our work when their loved ones pass away. This can be a very emotional time. We are grateful to all of the families and friends who decide to raise funds and awareness whilst paying tribute to their loved ones.

Our ambassador, Russell Kane, has worked tirelessly over the year to promote Rethink Mental Illness, winning an amazing amount of money on TV gameshows for us totalling £41,000 and helping to share Rethink Mental Illness' message to new audiences.

We also had our biggest ever London Marathon team with 30 runners running for Rethink Mental Illness and raising over £60,000.

Fundraising activities are delivered to the highest ethical standards. As a member of the Fundraising Regulator, we proudly follow the standards in the Code of Fundraising Practice. We work with a professional fundraising agency who telephone supporters and prospective supporters to raise funds for our work. Our fundraising team undertake and observe training of the professional fundraisers to ensure they meet our high standards and regularly monitor phone calls. We have a Supporter Promise which ensures that people in vulnerable circumstances are protected.

We are also grateful to our Commercial Participators for their support. Partnerships are managed responsibly with appropriate due diligence, contracts and ongoing monitoring of activities.

During 2021/22 we received various feedback from donors about our activities, including suggestions for improvements, and questions about some communications. We received no formal complaints about our fundraising activities.

The difference grants and trusts make

Rethink Mental Illness received a number of grants from charitable trusts and other grant-makers, including The Stone Family Foundation, the Rayne Foundation, Sport England, National Lottery Community Fund, the City of London Corporation's charity, City Bridge Trust, and many more. This support has enabled us to continue and expand our services to support people severely affected by mental illness and transform community mental health care through alliances built around our Communities that Care model.

Our partnership with Sport England is specifically helping us to increase the take up of physical health interventions amongst people severely affected by mental illness. People living with mental illness are more likely to have a preventable physical health condition such as heart disease. Through our work with Sport England we are learning how to best embed physical health within local community mental health systems and pathways to improve this. This learning will be shared with our partners at The Richmond Group to help Sport England and other stakeholders provide opportunities in the future that will meet the needs of people living with other long-term conditions including those affected by severe mental illness. We are very excited to be continuing this work over the next three years where we will be working more specifically in Tower Hamlets and North East Lincolnshire.

Our funding from the National Lottery Community Fund and the City of London Corporation's charity, City Bridge Trust, has helped us to continue our support for young people through the delivery of Step Up University and Step Up Schools and Colleges. These programmes are co-produced and co-delivered with young people who use their own experiences of and perspectives on mental health and mental illness to help other young people. The programmes build on young people's assets and experiences. It helps them to build their own and others' capacities to deal with issues that could cause a mental health crisis.

The Step Up Schools and College team successfully delivered 105 workshops across 17 schools, colleges and youth settings, reaching 1,211 young people aged between 15 and 19 years, exceeding original output targets. Independent evaluations of this programme revealed a significant increase in young people's mental health knowledge, including understanding how to maintain mental health and wellbeing, having the skills and techniques to manage mental health and wellbeing, and feeling comfortable discussing mental health and wellbeing. Here's how one person told us they had benefitted from taking part in Step Up, "I feel this was a good workshop that helped me learn and express about my mental health. It has also taught me how to cope with anxiety and how to help others with their mental health." We are extremely grateful to the National Lottery Community Fund and the City of London Corporation's charity, City Bridge Trust for supporting us to achieve these outcomes.

Our plans for 2022-23 – as defined in our 2021-23 corporate strategy refresh

- We will drive the transformation of care and support for all people severely affected by mental illness.

We will campaign and influence government to follow up the NHS Long Term Plans investment in mental health and to provide the social care system with the financial support it needs to deliver its part of the effort. We will also campaign to meet increased needs as a result of the pandemic. Our national campaign focus will align directly to the Communities that Care model, focussing on securing improvements in the welfare system, supporting people with their financial problems, developing more appropriate housing policy and a better social care settlement for people who are severely affected by mental illness.

We will deliver at least four new pilots based on the Communities that Care model, targeting areas with diverse populations. We will use evidence and outcomes to influence government and the local system to spread delivery and develop our organisation to align to the model.

We will support the government to ensure smooth passage of the Mental Health Act on to the statute book and seek to build the case for reform in the housing and welfare sector, so it more effectively supports people living with severe mental illness. We will be a leading voice in addressing inequalities and injustice in the health and social care system, particularly around race.

- We will ensure that the services and activities we develop are led and shaped by experts by experience.

We will make co-production a reality, internally and externally, in the development and application of service and policy provision. Through our Lived Experience Network and our Communications and Marketing Advisory Panel we will work to ensure that our campaigns and communications reflect the needs and views of people with lived experience of mental illness and their carers.

We will create a Carers Advisory Board to help co-produce a new model and partnerships to address the decline in specialist services for mental health carers. We will invest further in our volunteers to provide a high-quality volunteer experience and support the delivery of our mission. We will ensure that our activity goes much further in seeking out the experience and views of underserved communities and take action.

We will engage in areas of innovation, approaches for example such as New Models of Care/Provider Collaborative, to develop our policy and service solutions for people severely affected by mental illness. We will leverage funding to innovate and demonstrate proof of concept models, for example Mental Health and Money Advice Service and Mental Health Navigators, to the system so that we gradually meet more of the unmet need.

We will develop our existing offer around the Communities that Care model. As a campaigning organisation, which also provides information and support to the general public, we will make sure we reflect the pillars of Communities that Care in all our work. In our increasingly

influential place-based activity we will support the local health and social care system and its partners with their transformation plans, so that regardless of where people live they will get the support they need across the different areas of their lives. Where we deliver services, we will play our part in ensuring people receive the appropriate care they require for their own needs and are supported to have the best quality of life they can.

- We will develop new and innovative partnerships to create wider social change.

We will build partnerships with like-minded organisations, in particular those representing the voices of people from Black, Asian and minority ethnic communities, to spread innovation and transform the way we deliver care and support for people severely affected by mental illness.

We will seek to grow our profile in order to build a larger movement to achieve more social good, including a strong focus around stigma and discrimination in the context of mental illness in areas such as homelessness, LGBT+ and disabilities.

We will challenge stigma vocally when we see it and will stand up for the rights of people severely affected by mental illness whenever unfair systems and practices or policy failures let them down. We will seek to improve attitudes and practice to mental illness in the workplace by educating employers and supporting them to change their culture and practice by providing innovative training and consultancy services.

- We will transform our internal ways of working to underpin our delivery.

We will review how we measure our outcomes, success, and the impact that we are having in improving outcomes for people severely affected by mental illness. We will consolidate our focus on quality, continuing to improve outcomes in our commissioned services and ensuring that the campaigns we run on issues such as welfare, money and rights are well-evidenced and led through lived experience.

We will continue to develop our culture and staff to support our changing environment, including embedding our commitment to becoming an anti-racist organisation. We will improve our systems, information sharing, and data gathering to underpin both our day-to-day work and the measurement of our impact. We will continue the journey of workplace transformation, reviewing our models of working, the size of our estate, our digital capability and our ways of connecting and strengthening our brand with colleagues.

We will develop our financial sustainability to invest in service provision, external relations and internal infrastructure, and set ambitious and realistic fundraising targets. We will develop the financial approach to our Communities that Care model.

Reference and administrative details

Registered Office:
The Dumont
28 Albert Embankment
London
SE1 7GR

Registered Charity Number (England and Wales): 271028

Company Registration Number: 1227970

The Trustees of Rethink Mental Illness are the Charity's Trustees under charity law and the Directors of the Charitable Company. During 2021/22 the Trustees were:

Chair of the Board

Philippa Lowe (until 13 November 2021)
Kathryn Tyson (from 13 November 2021)

Members of the Board (Trustees)

George Hook: Vice-chair	Co-opted
Aphra Tulip-Briggs: Vice-chair (from 23 September 2021)	Regional
John Liver: Treasurer	Co-opted
Jane Watkinson	Regional
Frances Ashworth	Regional
Stuart Hellingsworth	Regional
Garrick Prayogg	Regional
Christine Stead	Regional
Edward Gorringe	Regional
Rosalind Homan (from 13 November 2021)	Regional
Daniel Fletcher (until 13 November 2021)	Co-opted
Ian Jackson	Co-opted
Jeremy Connick	Co-opted
Khurum Sethi (until 13 November 2021)	Co-opted

The day-to-day management of Rethink Mental Illness is led by the Chief Executive on authority delegated by the Board of Trustees. The Chief Executive and the senior executive officers of the Charity form the Executive Team, and each has clearly defined areas of responsibility and accountability.

Executive Officers

Mark Winstanley:	Chief Executive
Caroline Cannar:	Company Secretary
Brian Dow:	Deputy Chief Executive
Mark Yates:	Director of Operations
Kate Husselbee	Director of Strategy and Transformation
Tracey Simkins	Director of Finance and Estates (Appointed April 2021)

The Executive Team is complemented by the Senior Management Team, which draws together Associate Directors from each of the Charity's main activities.

The Charity's main professional advisors during the year were:

Auditors Crowe U.K. LLP Black Country House Rounds Green Road, Oldbury West Midlands, B69 2DG	Bankers NatWest Commercial Office 2nd Floor, 2 Trinity Court Wolverhampton Business Park Broadlands Wolverhampton, WV10 6UH
Solicitors Bates Wells 10 Queen Street Place London, EC4R 1BE	Insurers Markel International Insurance Company Ltd 20 Fenchurch Street London EC3M 3AZ
Investment Managers Investec Wealth & Investment Ltd 30 Gresham Street London, EC2V 7QN	Internal Auditors Mazars Tower Bridge House St Katherine's Way London, E1W 1DD
VAT Advisors Dains LLP 15 Colmore Row Birmingham B3 2BH	

Employees and volunteers (including remuneration policy and learning and development)

The Trustees would like to put on record their thanks and gratitude to everyone working at the Charity for their hard work and dedication.

Rethink Mental Illness has a diverse and committed workforce of over 830 staff, a growth of 14% compared with 2020/21. We are a Disability Confident and Mindful Employer and hold an Investors in People Silver award.

We are proud to have retained our Real Living Wage Accreditation in 2021/22 and in doing so we removed our lowest pay point for entry level staff which resulted in an increase of 3.3% (within Greater London) and 3.8% (outside of London). This means our lowest hourly rates are above the Real Living Wage and significantly above National Minimum Wage requirements.

We were also delighted to be able to award a 'thank you' payment of £500 (pro-rata) to frontline staff and bank workers who delivered care and support during the pandemic. This was paid in February 2022 and equated to a total investment of approximately £253,000.

In 2022/23 we plan to make more improvements to our overall employee offering by enhancing our benefits and total rewards.

This year we have invested approximately £120,000 in Leadership and Management Development for all people managers and leaders across the Charity - more than 170 employees. The programmes have been developed in-house and are supported by Hemsley Fraser, Vista Learning and North-52 who are external providers specialising in first-class learning solutions.

The delivery of the programmes has been blended in approach, with a mix of face to face, online learning and group working sessions and approximately 3,800 hours of development has been delivered so far. The programmes have given Managers and Leaders the opportunity to come together to share learning and insight and build a strong community of people who are passionate and energised to deliver on the next phase of our Corporate Strategy as we head into 2022/23. The programmes which are built around our behavioural framework RethinkCARES will conclude with a celebration event in October 2022.

The Learning & Development Team also delivered corporate and workplace induction to around 300 staff in 2021/22, ensuring new starters are equipped with the skills, knowledge and wellbeing support they need from day one.

Beyond the delivery of our programmes and new starter training, our organisational development team have also supported teams across the charity to foster high performing and inclusive cultures. This has been done through coaching and feedback, self-awareness tools and team development sessions aimed at identifying more effective ways of working together.

As we move into 2022/23, our work on culture will continue with a number of organisational development interventions that will engage our leaders, managers and staff in our new Corporate Strategy for 2023/24.

In October 2022, we launched our new hybrid working model which caters for four different work types across the charity. Depending upon the type of work an individual is contracted to do, their role may be fixed, field, agile or home-based. The implementation of new work types was supported with a number of resources including managers guidance and wellbeing support which enabled effective transition to the new model.

A clearly defined hybrid working model with additional flexibility and benefits has opened up a wider talent pool for the charity at a time when recruitment has never been more challenging. The shift to the new model has been well received and we will continue to monitor the impact on wellbeing.

Our Senior Management Team actively consults with staff on matters relating to our people, encouraging them to participate in focus groups, share their views and raise any concerns they may have. This year we have introduced our Diversity Pledge Groups which have given a staff from across the Charity an opportunity to have a say in our work on anti-racism. They have been instrumental in contributing towards our Equality, Diversity and Inclusion (EDI) Strategy which underpins our overarching corporate objectives.

In 2021/22 117 registered volunteers supported our work in a variety of ways from involvement with local services and sitting on governance committees. This is equivalent to 14% of our core staff headcount.

Volunteers are integral to our communities that care model and over the year we made a number of improvements to our volunteering processes. In partnership with volunteer managers, our People team have formed a volunteer working group which meets bi-monthly, creating a space for sharing ideas and feedback. Outputs from the working group have included:

- A streamlined onboarding process, which benefits those who have not worked for some time or volunteers with lived experience.
- The pilot of a new volunteer toolkit for managers, including volunteer role descriptions, interest forms, valuing your volunteering discussion form, volunteer handbook and volunteering reflection form. Following positive feedback, the team are looking to roll out more widely in 2022-23.
- The launch of a dedicated 'volunteer with us' section on the website, this will be developed further in 2022-23

Rethink Mental Illness acknowledges the support of our valued volunteers with grateful thanks.

Rethink Mental Illness is also grateful for the support and commitment of thousands of active campaigners who have acted to secure positive change for people experiencing mental illness, challenging decision-makers at both a national and local level.

Section 172 Statement

The Trustees must act in accordance with a set of general duties. These duties are laid out in s172 of the U.K. Companies Act 2006, which is summarised as follows: 'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to:

- The likely consequences of any decision in the long term
- The interests of the Charity's employees
- The need to foster the Charity's business relationships with suppliers, customers and others
- The impact of the Charity's operations on the community and the environment
- The desirability of the Charity's maintaining a reputation for high standards of business conduct,
- The need to act fairly as between members of the Charity.'

The Trustees believed they have completed their duties under s172.

Public benefit

The Trustees have had due regard to the guidance issued by the Charity Commission on public benefit. They have considered the requirements of the public benefit test and are satisfied that the Charity's activities meet these criteria.

We deliver our charitable objects through our services, which directly support over 15,000 people, and 132 support groups, funded by voluntary and statutory sources. Our charitable objects are:

- a) to improve the lives of people severely affected by mental illness and their families and carers through local support groups and services;
- b) to provide expert advice, information and training to the public in the field of mental health and welfare, including influencing government and decision makers more widely; and
- c) to advance awareness and understanding as to the causes, consequences and management of mental illness, working to decrease the stigma surrounding it.

Streamlined energy and carbon reporting summary

We are committed to reducing our environmental impact year on year, both in usage terms and our impact on the planet.

Our SECR carbon emissions for the financial reporting year 2021-22 amounted to **836 tCO₂e**, with 62% arising from gas consumption. When the purchase of green energy is taken into account, total 'market-based' emissions reduce to **743 tCO₂e**.

Since last year, overall emissions have fallen by 6%, or 17% with green energy.

	Unit	2021-22	2020-21	% change
Energy consumption	kWh	4,268,248	4,488,430	
Scope 1 - Direct Emissions	tCO ₂ e	522.3	604.0	
Scope 2 - Energy Indirect Emissions - location-based	tCO ₂ e	168.2	242.7	
Scope 2 - Energy Indirect Emissions - market-based	tCO ₂ e	75.3	242.7	
Scope 3 - Other Indirect Emissions	tCO ₂ e	145.8	46.0	
Total SECR Emissions - location-based	tCO ₂ e	836.2	892.7	-6%
Relative SECR Emissions - location-based	tCO ₂ e/service user	0.0	0.1	-18%
Taking into account green energy purchased				
Total SECR Emissions - market-based	tCO ₂ e	743.4	892.7	-17%
Relative SECR Emissions - market-based	tCO ₂ e/service user	0.0	0.1	-28%

Energy Efficiency Projects

There have been no specific energy-efficiency projects undertaken this year, though it is common for LED lighting to be fitted when bulbs blow.

A new energy procurement contract (2-year) has been signed, so we are provided with 100% renewable electricity. This has had a significant contribution to reducing our emissions.

We also plan to calculate our wider carbon footprint and prepare a carbon management strategy. This will look at all our operational carbon activities and we hope to engage our staff in helping to set carbon reduction targets.

SECR Emissions Calculations - Methodology

We have reported on all of the emission sources required by Streamlined Energy and Carbon Reporting (SECR), under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. These sources fall within our consolidated financial statement.

We have followed the methodology of ISO 14064-1 (Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals) and emission factors from UK Government GHG Conversion Factors for Company Reporting 2021.

For SECR reporting, Scope 1 (Direct) emissions are those arising from natural gas heating and company vehicles. Scope 2 (Energy Indirect) emissions are from electricity. Scope 3 (Other Indirect) emissions come from grey fleet and hire vehicles.

Location-based emissions are calculated as the average emissions intensity of the electricity grid, while market-based emissions take into account green energy purchasing.

Financial review

The Group's net income increased this year to £37.5m (2021: £33.1m), and our expenditure increased this year to £35.3m (2021: £30.5m), leaving an operating surplus of £2,152,000 (2021: £2,600,000). This surplus was increased by net gains on investments of £237,000 (2021: £1,622,000), leaving a net surplus of £2,389,000 (2021: £4,222,000), of which £2,550,000 (2021: £3,816,000) related to unrestricted funds (general and designated funds).

Income: Sources of funds:



The largest source of our income continues to come from contracts with local authorities and NHS Commissioners to deliver our services. Pressures on the health and social care system continue to grow, particularly in terms of demand for care and support and a longer-term financial settlement for social care – funding which enables the delivery of many of our services. In some areas where we are delivering services, we are seeing growth in contract income as our commissioners and new Integrated Care Boards look to develop services aligned with their community mental health transformation plans. We are also working in new areas to help them develop their transformation plans and coproduce and deliver new models aligned with this.

We will continue to work with NHS England, the Department of Health and Social Care and local system leaders to protect services like the ones we provide and make the case for further funding of services for people severely affected by mental illness.

During 2021/22, we received £558,000 in relation to Covid 19 infection control funding.

Thanks to the continued support from our generous donors, we have been able to increase our level of income from fundraising activities which has enabled us to continue to support our beneficiaries through a number of activities, including our campaigns, groups and information service line.

Expenditure

The pie chart shows that the largest area of spend was on charitable activities.



Further analysis of our expenditure is given in note 5 of the accounts.

Pension Scheme

The Charity has two final salary pension schemes, the Growth Plan and the Care Plan, details of which are explained in note 18 of the financial statements. Both schemes are only open to members of the executive team with the sole purpose of avoiding crystallising the debt.

Actuarial valuations are carried out every three years, and a full actuarial valuation of the Care Scheme in September 2019. The net effect of the revaluation, repayments made in the year and FRS102 year-end valuation resulted in a financial impact on the 2022 results, with a decrease in provision of £487,000. The Growth Plan underwent a valuation in September 2020 however no further increase in provisions was required following this review. The net effect of the repayments made in the year and FRS102 year-end valuation resulted in a decrease in provision of £465,000.

Structure, governance and management

Rethink Mental Illness is governed by a Board of Trustees comprising a Chair, eight Trustees appointed from the Regions and up to seven co-opted Trustees. The Board of Trustees is responsible for the overall direction and control of the activities of Rethink Mental Illness. The Board holds five formally constituted meetings a year, one of which is a facilitated two-day event looking at forward planning, strategy and Board development.

The Chair of the Board of Trustees, the Vice-chairs and the Treasurer are elected by the Board from the existing Trustees.

There is one Trustee for each of the eight Regions of England. Regional Trustees must be either a carer, relative, user of mental health services or otherwise considered by the Board to have relevant experience or expertise. Co-opted Trustees are appointed by the Board and are chosen for their skills, for example, fundraising, finance or business development, which may not be provided by the Regional Trustees, having regard to the balance on the Board of carers, people who use mental health services and others and representation by gender, age and ethnicity.

Board members are formally appointed at the AGM to serve up to a three-year term and can serve no more than nine years in total, except for the Chair who may serve up to 12 years.

New Trustees receive a formal induction into their role to familiarise themselves with both Rethink Mental Illness and the responsibilities that go with Trusteeship. Trustees are invited to discuss their developmental requirements with the Chair on an annual basis. This enables more specialised development in areas such as finance or governance to be provided to either the full Board or specific individuals.

To assist the Board in its work there are three formally constituted national committees, each with its own Terms of Reference:

The Honorary Officers Committee (HOC) performs the function of an Executive Committee. In exceptional circumstances it has delegated authority to assume control over the work of the

Charity when urgent decisions need to be made that cannot wait until the next Board meeting. HOC also acts as a Nominations, Appointment and Remuneration Committee and oversees the Trustee appointment process. It also has responsibility for setting the salaries of the Chief Executive, Company Secretary and members of the Executive Team. HOC meets three times each year and holds additional meetings, depending on organisational demands.

The Audit and Assurance Committee (AAC) is responsible for overseeing all aspects of the Charity's external and internal audit arrangements, internal control procedures and risk management. Meetings are attended by both the Charity's external and internal auditors. Internal audits were scaled back during 2020/21 due to the pandemic but resumed in 2021/22. AAC also has responsibility for monitoring health and safety and for ensuring that the Charity delivers high quality services, operating in compliance with regulatory frameworks. AAC reviews a range of key metrics to identify trends or themes that require management action.

The Finance and Investment Committee (FIC) agrees fundraising and service development strategies, monitors income and expenditure against budget and the effectiveness of financial management. It recommends relevant budget priorities in the form of a draft annual budget to the Board of Trustees.

FIC is also responsible for the appointment and supervision of the Charity's Investment Managers. It sets and monitors annual performance objectives for the Investment Managers, including ensuring that the required level of free reserves is maintained, as specified in the Reserves Policy. FIC ensures that the Charity's investments are conducted in accordance with the Investment Policy, the Charity's Articles of Association and all relevant laws and regulations.

The Charity has in addition three Governance Link Groups that involve a wider range of members interested in contributing to the work of the Charity at a national level.

The Interim Council of Rethink Mental Illness has replaced the Council of Representatives and meets three times a year. Whilst not a Committee of the Board with delegated decision-making powers, the Council exists to improve and strengthen the work of Rethink Mental Illness, and in turn the governance of Charity, by its oversight of involvement throughout the Charity. Along with the other Governance Link Groups and Groups, the Council is central to involvement and engagement activity and the Charity's ambitions for Communities that Care

The Lived Experience Advisory Board (LEAB) comprises up to 18 members, plus any Trustees who use, or have used, mental health services. Key areas of work include monitoring the progress of the Involvement Strategy and making suggestions and providing constructive feedback on issues relating to the involvement and support of people who use mental health services. LEAB also provides support and advises on organisational matters relating to people who use mental health services, for example, on policies and communications. LEAB meets at least three times a year, with additional, less formal, meetings in between. It is chaired by Shaun Johnson, a former Vice-chair of the Charity.

During the latter part of 2020/21, work started on setting up a third Link Group, the Carers Advisory Board (CAB), to continue the long tradition of carer involvement within the Charity

and provide a distinct and strong voice for the carers of people with lived experience. It is chaired by the previous Chair of Trustees, Philippa Lowe.

Throughout 2021/22 most governance and link group meetings were held remotely. This has enabled good governance, oversight and decision-making to continue during the pandemic with a high level of attendance at meetings, including by those who were having to shield.

During 2020/21 we introduced Board Briefings into the governance calendar and these have continued during 2021/22. Board Briefings have been an invaluable method of keeping Trustees informed about other activities taking place within the Charity, particularly matters where no formal decision or resolution is required.

Statement of engagement with employees

Our Senior Management Team (SMT) is made up of Executive Directors and Associate Directors who meet collectively at least once a quarter to discuss the performance of the Charity in line with a core set of Key Performance Indicators. The group ensure the standing agenda item 'matters to communicate/cascade' is agreed by the group and cascaded down the management line.

Managers receive a monthly bulletin from internal communications with matters of interest/concern for all employees and we use 'E-think,' our fortnightly internal newsletter, to announce specific changes and seek feedback from staff. Our People and Organisational Development team has a dedicated email box for staff queries/concerns of any sort. We regularly use staff surveys for input into key decision making and hold focus groups across the Charity on matters of importance.

This year our Leadership and Management Development programmes have given us a unique opportunity to speak to line managers throughout the charity and valuable feedback has been gathered in group working sessions and one to ones. The insight has helped us to inform our ongoing People Strategy, as well as the enhancement of our development offering.

In August 2021, we also developed a dedicated wellbeing survey to assess the wellbeing of staff across the charity, the feedback has informed our plans to launch a new dedicated Wellbeing Hub and Employee Assistance Programme in Q2 2022/23.

We have engaged extensively with our managers and supervisors across the organisation to raise awareness, understanding and their commitment to our work on becoming an anti-racist organisation and the development of our diversity, equality and inclusion strategies. We have also established two new staff networks to support and represent Black, Asian and minority ethnic and LGBTQI+ employees, respectively, and we plan to launch other staff networks to further provide a 'voice' for our diverse staff.

The Charity Governance Code

The Board of Trustees is committed to developing and maintaining high standards of governance throughout the Charity. Our mission, 'leading the way to a better quality of life for everyone severely affected by mental illness', lies at the heart of all our work and feeds into the overall strategy, which is set by the Board of Trustees.

The annual Board Awaydays provide the opportunity for the Board and Executive Team to review the strategy and prioritise areas of work for the coming year. The Committees of the Board and Governance Link Groups are consulted, and views considered when the Board makes its decisions.

During the year, Trustees have been involved in the development of the new Corporate Strategy. This will guide the work of the Charity from 2023 to 2028.

In March 2021, the Charity added 'equity' to its core values in recognition that some groups, in particular people from Black, Asian and Minority Ethnic backgrounds, are disproportionately likely to experience severe mental illness due to social and economic factors, including discrimination. Work has continued during 2021/22 to ensure that the Charity becomes a truly anti-racist organisation.

We have policies and procedures in place that underpin the requirement to act with integrity and in the best interests of the Charity and its charitable purposes.

All Trustees, including the Chair, receive an annual review and the Chair, Chief Executive and Company Secretary work collaboratively to address the development needs of Trustees. We undertake a skills audit to record skills and experience, identify gaps and thereby inform the process for appointing new Trustees.

Subsidiary company information

There are three active subsidiary companies: NSF Trustees Limited (NSFT), Rethink Trust Corporation Limited (RTC) and Rethink Mental Illness Limited.

NSFT was established to meet an important need for families of people with severe mental illness to make financial provision for the care of their dependants after the carer's death. RTC was later established in 2010/11 to expand the potential range of services provided through NSFT.

Rethink Mental Illness Limited operates as the trading subsidiary of Rethink Mental Illness. It commenced trading during 2017/18, with several service contracts previously held by the charity being novated across to the subsidiary.

The financial statements of the subsidiaries have been consolidated into the financial statements of the Group.

Two further subsidiary companies are incorporated as possible future trading subsidiaries. Rethink Mental Illness also acts as Trustee of the Befriending Visitors Service (BVS). Financial details relating to the subsidiaries and BVS are contained in notes 19 and 20 to the financial statements.

Wider networks

Rethink Mental Illness is part of The Richmond Group of Charities, a collaboration of 14 of the leading health and social care organisations in the voluntary sector. The Group works together as a collective voice to better influence health and social care policy, with the aim of improving the care and support for the 15 million people living with long term conditions it represents. The Charity is also part of the Mental Health Policy Group (MHPG), a coalition of six national organisations working together to improve mental health. MHPG represents providers, professionals and the hundreds of thousands of people who use mental health services, and advocates for cross-government approaches to improve services and support early intervention and prevention of mental health problems.

Rethink Mental Illness is a member of the Association of Mental Health Providers (AMPG), which is the leading representative body for voluntary and community sector mental health organisations in England and Wales. Representing small, medium and large providers – from locally focused to regional and national organisations – members provide services covering the full range of mental health provision.

The Charity is also connected with Mental Health UK, a Charitable Incorporated Organisation (CIO). Rethink Mental Illness, Adferiad Recovery in Wales, MindWise in Northern Ireland, and Support In Mind Scotland are all members of Mental Health UK. Mental Health UK is not considered part of the Rethink Mental Illness Group and has not been consolidated in the financial statement.

The operating policies of Rethink Mental Illness are not affected by any of the above relationships.

Reserves policy

Rethink Mental Illness recognises the importance of maintaining a reserves policy to provide a prudent level of cover to meet future obligations and guard against unforeseen contingencies on a going concern basis.

The reserves of the charity at the year-end are:

	£
Unrestricted reserves – general funds	8,706,000
Unrestricted reserves – designated funds	4,706,000
Restricted funds	946,000
Total funds	<u>14,358,000</u>

The Board approved additional designated funds of £2.2m during the year, which have been allocated to support the resourcing and delivery of our Communities that Care strategy. This investment will focus improvements in our estate, with the aim of ensuring we can respond flexibly and effectively to future challenges and opportunities to improve the lives of people severely affected by mental illness. An analysis of designated funds is included in note 15 of the accounts.

Our reserves policy focuses on the level of our “free” reserves.

Free reserves are defined as net assets excluding restricted funds, designated funds and the element of general funds that have been used to acquire fixed assets for the Charity's own use.

Our unrestricted reserves, which exclude designated funds, on 31 March 2022 were £8.7m (2021: £7.5m) of which £3.1m (2021: £2.4m) are fixed and intangible assets in use by the charity. The level of free reserves on 31 March 2022 was £5.5m (2021: £5.1m).

Following a review of the reserves policy during the year, the target range for free reserves has been set at between £4m and £6m reflecting the cautious risk appetite for reserves factoring in commercial and other risks and fluctuations within the investment portfolio and pension deficit values.

The level of free reserves has continued to improve during the year, reflecting the in-year surplus and the improved investment portfolio valuation, and are now with the target range.

The Board recognise the need to ensure the Charity has the appropriate level of free reserves to enable it to meet its future needs. With this in mind free reserves will remain under review throughout the next financial year and if necessary designated funds will be reallocated to ensure they remain in line with the target range set out within the reserves policy.

The Board will keep its reserves policy under regular review to ensure that an appropriate balance is maintained between developing reserves to provide sufficient funds to meet its forward obligations, to provide a reserve against unforeseen events and to provide adequate resources to fund new initiatives in order to promote the charitable objects of Rethink Mental Illness. Further details of reserves held on 31 March 2022 are shown in note 15 to the financial statements.

Investment policy

The Trustees have wide investment powers set out in the Charity's Articles of Association. Currently, monies of the Charity not immediately required for its purposes are placed in short-term interest -bearing accounts with the Charity's main bankers or invested by the formally appointed Investment Managers.

During 2020/21 the Investment Committee reviewed the investment strategy of the Charity and confirmed the strategy remained appropriate for the Charity's investment managers, Investec

Wealth & Investment, to follow. The objective is to achieve a balance between income and capital returns ensuring low to medium risk.

Any investments will have due regards for the Charity's objects and the committee have decided that it will not make any direct investments in companies or funds, primarily concerned with the production or distribution of pornography, tobacco, armaments or alcoholic beverages.

The medium-term performance benchmark is linked to the Consumer Price Index (CPI) plus 3%. During 2021/22 CPI was +7.0% this gives a performance benchmark of +10.0% for the year ending 31 March 2021. The performance benchmark has been confirmed by the Investment Committee as being appropriate to continue with. During the year, the total return (net of fees) was +4.6% as global markets reacted negatively in the final quarter of the financial year to a dramatic change in expectations in favour of materially higher interest rates. This change was deemed necessary to combat sharply higher inflation, exacerbated by the war in Ukraine.

Principal risks and uncertainties

The Charity has an established risk management strategy which ensures the Charity's risk exposures are managed in an effective and efficient way.

A review of current strategic risks and horizon scanning exercise is carried out annually, along with setting the Charity's risk appetite statement and indicators. In addition, risk assessment and evaluation are undertaken regularly across the Charity.

The Audit and Assurance Committee and Board of Trustees are provided updates and assurance that the major risks which are identified have been reviewed and evaluated, taking account of internal controls, systems and other actions pursued to mitigate them.

The key risks currently facing Rethink Mental Illness are considered to be:

- A risk around sustainability of the Charity, should pressures on central government, health and local authorities result in the government making cuts to offset the increased costs incurred during the pandemic, dealing with the emerging cost-of-living crisis and other external events (such as war in Ukraine) leading to reduced funding for social care.

The risk is mitigated by using the learning during the pandemic to inform a review of the Charity's future service provision, adapting working practices where possible to effect savings, seeking new forms of service delivery and seizing emerging opportunities. We have also embarked on a programme of work to transform our internal ways of working to underpin our delivery.

- Recruitment and retention of staff, especially in health and social care roles, impacting on the Charity's ability to function.

The risk is mitigated by reviewing our recruitment approach including encouraging local solutions. Undertaking a pay and reward project to look at our offer including

implementing interim measures to staff where possible and ensuring that there is on-going support to staff. Business Contingency plans are also required for all departments, as well as all services.

- Serious untoward incidents, including unpredictable death or serious injury to a beneficiary, staff member, volunteer or a member of the public.

The risk is mitigated by the Charity's operational governance framework, including Safeguarding and Health and Safety policies and procedures and a system of integrated governance that regularly reviews all areas of risk.

- Continued political and economic uncertainty resulting in the potential for significant market volatility which could result in unplanned fluctuations of our investment portfolio.

The risk is mitigated by the Charity's Reserves Policy, which is set to retain sufficient funds, and having an Investment Policy in place.

Serious incidents

The Charity reported one serious incident to the Charity Commission and confirms that there are no other serious incidents during 2021/22 that should have been reported to the Commission.

Going concern

The budget set for 2022/23 included target growth areas in operations, fundraising and the development of the Community Mental Unit offset by increased costs to address capacity and resourcing gaps across the charity.

Areas at risk are the achievement of fundraising targets, the external training provision, increased agency costs, the cost of living crisis and downturn on the investment portfolio. There are being reviewed monthly using a risk report to monitor the performance against the budget. A review of the budget was completed in July 2022 which forecasted achievement of targets to date.

Cashflow projections and forecasts have been prepared covering at least 12 months which support the continued operations of the Charity. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees responsibilities.

The first half on the 2022-23 year has seen continued positive growth through successful bids for a number of contracts across both our Operations and External Affairs directorates, further supporting our assessment of going concern.

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Charitable Company's auditors are unaware; and each Trustee has taken all the steps they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

Statement of Trustees' Responsibilities in respect of the Trustees' Annual Report and the Financial Statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with UK Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the Charitable Company and of the excess of income over expenditure for that period.

In preparing these financial statements, the Trustees are required to:

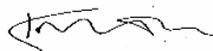
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue its activities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charitable Company and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charitable Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This Annual Report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 13 October 2021 including approving in their capacity as Directors the Trustees Strategic Report and Directors' Report contained therein, and is signed as authorised on its behalf by the Chair of the Board of Trustees.

By Order of the Board



Kathryn Tyson

Chair of the Trustees

Date 27th October 2022

Opinion

We have audited the financial statements of Rethink Mental Illness ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheets, the Group 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 Financial Reporting Standard 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 group's and the charitable company's affairs as at 31 March 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 34, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

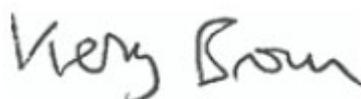
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Quality Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals,

reviewing accounting estimates for biases, designing audit procedures over income, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kerry Brown

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 07 November 2022

Rethink Mental Illness

Consolidated Statement of Financial Activities (incorporating Income and Expenditure Account)

Year ended 31 March 2022

	Note	2022 Unrestricted Funds £000	2022 Restricted Funds £000	2022 Total £000	2021 Unrestricted Funds £000	2021 Restricted Funds £000	2021 Total £000
Income and Endowments from:							
Donations and Legacies	2	3,150	1,253	4,403	3,551	1,125	4,676
Charitable Activities	3	27,916	4,457	32,373	24,739	3,316	28,055
Other trading Activities	4	510	-	510	165	-	165
Investments	4	193	-	193	186	-	186
Total Income		31,769	5,710	37,479	28,641	4,441	33,082
Expenditure on:							
Raising Funds	5	1,987	-	1,987	1,808	-	1,808
Charitable Activities	5	27,568	5,558	33,126	24,316	4,004	28,320
Other	5	214	-	214	354	-	354
Total Expenditure		29,769	5,558	35,327	26,478	4,004	30,482
Income less Expenditure Before Investments		2,000	152	2,152	2,163	437	2,600
Net gains/(losses) on Investments	9	237	-	237	1,622	-	1,622
Net Income/(Expenditure)		2,237	152	2,389	3,785	437	4,222
Transfers between funds		313	(313)	-	31	(31)	-
Net movement in funds		2,550	(161)	2,389	3,816	406	4,222
Fund balances brought forward at 1 April 2020		10,862	1,107	11,969	7,046	701	7,747
Fund balances carried forward at 31 March 2021	15	13,412	946	14,358	10,862	1,107	11,969

Rethink Mental Illness

Statement of Consolidated Cashflows

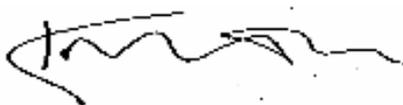
Year ended 31 March 2022

	Note	Group		Charity	
		2022	2021	2022	2021
		£000	£000	£000	£000
Fixed assets					
Intangible assets	8	17	208	17	208
Tangible assets	8	3,289	2,226	3,289	2,226
Investments	9	9,141	8,745	9,126	8,734
		12,447	11,179	12,432	11,168
Current assets					
Stocks for resale		14	10	14	10
Debtors	10	6,852	6,153	3,257	2,789
Cash at bank and in hand		10,820	10,442	10,621	10,251
		17,686	16,605	13,892	13,050
Creditors: amounts due within one year	11	(11,367)	(9,688)	(7,597)	(6,146)
Net current assets		6,319	6,917	6,295	6,904
Total assets less current liabilities		18,766	18,096	18,727	18,072
Creditors: amounts due after one year	12	(3,967)	(5,777)	(3,967)	(5,777)
Provisions for liabilities	13	(441)	(350)	(441)	(350)
Total net assets or liabilities		14,358	11,969	14,319	11,945
Funds					
General funds	15	8,706	7,508	8,667	7,484
Designated funds	15	4,706	3,354	4,706	3,354
Restricted funds	15	946	1,107	946	1,107
		14,358	11,969	14,319	11,945

A surplus reflecting income above expenditure for the year of £2,556,000 (2021: surplus of £4,222,000) has been dealt with in the financial statements of the Charitable Company (company reg: 1227970).

The financial statements were approved by the Trustees on 27 October 2022

and were signed on their behalf by:



Kathryn Tyson (Chair of Trustees)

Statement of Consolidated Cashflows

Year ended 31 March 2022

	<i>Note</i>	2022	2021
		£000	£000
Net Cash provided by operating activities	24	1,645	6,189
Cash flows from investment activities			
Dividends, interest and rent from Investments		193	186
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(1,301)	(7)
Proceeds from the sale of Investments		4,603	1,428
Purchase of investments		(4,196)	(1,453)
Net Cash provided by (used in) Investing Activities		(701)	154
Cash flows from investment activities			
(Increase)/Decrease in cash deposits		(566)	66
Net Cash provided by (used in) Investing Activities		(566)	66
Change in Cash and Equivalents in the reporting period		378	6,409
Cash and Cash Equivalents at the beginning of the reporting period		10,442	4,033
Cash and Cash Equivalents at the end of the reporting period	25	10,820	10,442

Company status

The Charity is a company limited by guarantee, incorporated in England and Wales, and treated as a public benefit entity. The board members of the company are the Trustees named under “Legal and administrative information”. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to one penny per member of the Charity.

The operating name of the National Schizophrenia Fellowship is Rethink Mental Illness.

Registered Office, The Dumont, 28 Albert Embankment, London, SE1 7GR.

Principal Office, 1st Floor Castlemill, Birmingham New Road, Tipton, DY4 7UF

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company’s financial statements except as noted below.

Basis of preparation

The financial statements have been prepared under the historical cost accounting rules with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (“SORP”) 2015 “*Accounting and Reporting by Charities*”, issued in January 2015, and Financial reporting standard 102 (FRS102), and the Companies Act. The Charity is a public benefit entity for the FRS102 purposes.

Going concern

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future.

The budget set for 2022/23 included target growth areas in operations, fundraising and the development of the Community Mental Unit offset by increased costs to address capacity and resourcing gaps across the charity.

Areas at risk are the achievement of fundraising targets, the external training provision, increased agency costs, the cost of living crisis and downturn on the investment portfolio. There are being reviewed monthly using a risk report to monitor the performance against the budget. A review of the budget was completed in July 2022 which forecasted achievement of targets to date.

Cashflow projections and forecasts have been prepared covering at least 12 months which support the continued operations of the Charity. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees responsibilities.

Basis of consolidation

The consolidated financial statements include the financial statements of the Charity and its subsidiary undertakings made up to 31 March 2022. The results of the subsidiaries, as shown in note 19, are consolidated on a line by line basis within the consolidated Statement of Financial Activities (“SOFA”). In the Charitable Company’s financial statements, investments in subsidiary undertakings are stated at cost less provision for permanent diminution.

Charitable Company income and expenditure

No separate statement of financial activities has been prepared for the charity alone as permitted by Section 408 of the Companies Act 2006. A surplus reflecting income above expenditure for the year of £2,523,000 (2020: surplus of £4,222,000) has been dealt with in the financial statements of the Charitable Company.

Fund accounting and transfers

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 15 to the financial statements.

General funds may be transferred to designated funds where Trustees wish to use these funds for a specific purpose. Such funds may be transferred back to general funds once the criteria for designation have been met or are no longer applicable.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of restricted funds is set out in the notes to the financial statements. Restricted funds may only be transferred to general or designated funds once the criteria for restriction have been discharged or no longer apply.

Incoming resources

All incoming resources are shown net of VAT. They are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind and donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

For legacy income, entitlement in the case of residuary and pecuniary legacies is counted from the earlier of estate accounts being finalised and communicated to Rethink Mental Illness and cash received. Legacies where Rethink Mental Illness's receipt of income is subject to a life tenancy have not been included.

Members' subscriptions are taken to income on a received basis. Grants, service agreement and fee income and grants for premises and equipment are recognised in the SOFA and income and expenditure account in the period in which they are receivable. Income is deferred only when the Charity has to fulfil conditions before becoming entitled to it or where the donor/funder has specified that the income is to be expended in a future period.

COVID-19 Local Authority income is recognised in the SOFA and held as Restricted Fund balance where unspent.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been apportioned to activities on the basis of direct costs.

Costs of generating voluntary income are those incurred in seeking voluntary contributions and do not include the cost of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include an appropriate apportionment of management overheads.

Governance costs are those costs incurred in connection with governance and professional support to Trustees.

Intangible assets and amortisation

Intangible assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. Amortisation is provided on all intangible assets at rates calculated to write off the cost on a straight-line basis over their expected economic lives as follows:

ICT Licenses	the shorter of the life of the license or 10 years
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Rethink Mental Illness

Notes to the Financial Statements

Year ended 31 March 2022

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected economic lives as follows:

Freehold land	Nil
Freehold buildings	2%
Leasehold land and buildings	2% (or over life of lease if shorter)
Furniture and equipment	25%
ICT Equipment (purchases from 01.04.2015)	33.3%
Motor vehicles	33.3%

Investments and interest receivable

Investments are stated at market value at the balance sheet date. Interest on deposit and other accounts is allocated to income in the year in which it is receivable. Net gains and losses on investments arising on revaluation are included in the SOFA.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items for resale or distribution are not included in the financial statements until they are sold or distributed.

Volunteers

The charity has in the region of 170 volunteers. The financial value these volunteers make is not incorporated within the accounts.

Local groups

In order to correctly reflect the stewardship of the Charity over the activities of its local groups, their results are included in the SOFA and their cash balances at the year-end are included in the balance sheet as restricted funds.

Liquid resources

For the purposes of the cash flow statement, cash comprises cash in hand and deposits repayable on demand without penalty, less overdrafts payable on demand.

Rethink Mental Illness

Notes to the Financial Statements

Year ended 31 March 2022

Post-retirement benefits

Rethink Mental Illness participates in a pension arrangement with the People's Pension. This scheme was established in September 2013 and it is open to all staff who qualify under the Government's auto enrolment scheme. The People's Pension is a defined contribution scheme.

During the year the Charity participated in the CARE (Career Average Revalued Earnings) and Growth Plan Pension Schemes administered by TPT Retirement Solutions. Both the CARE and Growth Plan Schemes are multi-employer defined benefit schemes. The Schemes are funded and contracted out of the State scheme. The assets of the schemes are held separately from those of the Charity in an independently administered fund. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers. Rethink Mental Illness has entered into an agreement with the Multi-Employer plan which determines how a deficit will be funded. As a result Rethink recognises the net present value of the contributions payable from this agreement as a liability on the balance sheet. The CARE and the Growth Scheme were closed during 2013 to new entrants.

All pension costs are funded through the unrestricted fund.

Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred in equal amounts. Assets purchased under finance leases are capitalised at their fair value at the inception of the contracts and depreciated over their estimated useful lives. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charges. Finance charges are allocated over the period of the lease in proportion to the capital amount outstanding.

Deferred taxation

In the subsidiary financial statements, the policy is to pay all taxable profits to Rethink Mental Illness by way of Gift Aid. No deferred tax liability arises in the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described and summarised below. Estimates are made on the following bases:

- Gift in kind donated property is based on a standard price of £11.50 per square feet and a standard room size of 144 square feet per office space provided free of charge.
- Gift in kind donated advertising uses a market rate valuation provided by the donor. Where the service received has not changed, a % linked increase may be applied to a previous years' market rate valuation.
- Pension Liability - The Charity is a member of two multi-employer defined benefit pension schemes. The Charity has entered into a deficit recovery repayment plan with TPT Retirement Solutions in respect of these schemes and this liability has been recognised on the Balance Sheet at amortised cost. The discounting assumptions used are recorded in note 18.

Debtors

Debtors are measured at amortised cost less any impairment.

Creditors & provisions

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

Notes to the Financial Statements

Year ended 31 March 2022

Financial instruments

Rethink Mental Illness has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

2 Analysis of Donations and Legacies

	2022	2022	2022	2021	2021	2021
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
Fundraising and Donations	416	584	1,000	602	71	673
Donated services and facilities	509	-	509	426	-	426
Membership subscriptions	37	-	37	43	-	43
Legacies	1,306	-	1,306	1,041	-	1,041
Sponsorship and events	421	-	421	374	257	631
Corporate Donations	454	118	572	499	410	909
COVID-19 Job Retention Scheme	7	-	7	451	-	451
Other COVID-19 Funding	-	551	551	115	387	502
	3,150	1,253	4,403	3,551	1,125	4,676

Donated services and facilities relate to office accommodation and Google Ad Words that have been provided free of charge.

3 Analysis of income from charitable activities

	2022	2022	2022	2021	2021	2021
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£000	£000	£000	£000	£000	£000
Supported Housing & Floating Support Services	6,019	16	6,035	5,232	2	5,234
Prisons/Criminal Justice Services	2,330	-	2,330	2,046	-	2,046
Community Services	4,965	108	5,073	3,594	82	3,676
Carers' & Family Support Services	364	-	363	422	38	460
Advocacy Services	2,931	-	2,931	2,875	-	2,875
Helpline & Advice Services	884	1,174	2,058	174	243	417
Nursing & CQC Registered Services	9,889	-	9,889	9,298	5	9,303
Communications & Campaigns	-	-	-	892	21	913
Transformation & Community Consulting	126	1,181	1,307	-	-	-
Co-Production	112	-	112	-	-	-
Management & Support	246	-	246	167	-	167
Mental Health UK	50	1,928	1,978	39	1,982	2,021
Time To Change	-	50	50	-	943	943
Total funding received for charitable activities	27,916	4,457	32,373	24,739	3,316	28,055

Time to Change is a programme of activities that works to reduce stigma of mental illness in the wider population.

Mental Health UK is an independent charity which has the ambition to ensure that everyone has the tools they need to live their best possible life. Working through its founding charities (including Rethink Mental Illness) it is able to support people most in need and tackle some of the biggest challenges facing those with mental ill health.

Other Covid-19 Funding includes grant income for Infection Control, Rapid Testing and Workforce Capacity.

4 Analysis of incoming resources from Other Trading Activities and Investments

	2022 Unrestricted £000	2022 Restricted £000	2022 Total £000	2021 Total £000
Other trading Activities				
External Sales	352	-	352	-
Income from Subsidiary undertakings	158	-	158	165
	510	-	510	165
Investments				
Interest received	2	-	3	2
Dividends received	191	-	191	184
	193	-	193	186

The following funders have specifically asked for income from their organisation to be listed:

	Incoming Resources recognised in SOFA £000
Time to Change in conjunction with Mind	50
Mental Health UK in conjunction with Lloyds Banking Group	1,978
Sport England	151
The Stone Family Foundation	67
The City Bridge Trust	51
The National Lottery Community Fund	108
Rayne Foundation	18

5 Analysis of expenditure

	Direct costs £000	Support costs £000	Total 2022 £000	Total 2021 £000
Raising funds				
Fundraising	1,175	243	1,418	1,289
Managing Investments	56	24	80	65
Trusts & Grants	401	88	489	454
Total cost of raising funds	1,632	355	1,987	1,808
Charitable activity				
Supported housing and floating support services	5,145	940	6,085	5,593
Prisons/criminal justice services	1,744	368	2,112	1,716
Community services	3,862	789	4,651	3,642
Carers' and family support services	519	100	619	893
Advocacy services	2,420	495	2,915	2,471
Helpline & Advice Services	1,736	366	2,102	2,099
Nursing and CQC registered services	8,086	1,431	9,517	8,948
Mental Health UK (& TTC)	1,737	369	2,106	1,218
Communications and Campaigns	1,331	263	1,594	1,594
Transformation & Community Consulting (inc Open Mental Health)	1,002	219	1,221	146
Co-Production	160	44	204	-
Total cost of charitable activity	27,742	5,384	33,126	28,320
Other Expenditure				
Expenditure on Other trading Activities	553	-	553	426
Pension Interest Charge	(339)	-	(339)	(72)
Total Other Expenditure	214	-	214	354
	29,588	5,739	35,327	30,482

The split of direct and support costs for 2021 were Direct £25,930,000 and Support £5,739,000.

Rethink Mental Illness

Notes to the Financial Statements

Year ended 31 March 2022

Direct and support costs include:

	2022	2021
	£000	£000
Auditors' remuneration:		
Fees payable to the Charity's Auditors for the audit of the annual accounts	48	44
Fees payable to the Charity's Auditor for the audit of the Charity's subsidiary undertakings, pursuant to legislation	3	3
Depreciation	311	477
Loss on disposal of fixed assets	114	9
Rents paid on leasehold premises	1471	1413
Operating lease rentals	170	164

Allocation of support costs:

Type of cost	Allocated to	Allocated to	2022	2021
	Fundraising	charitable activities	Total	Total
	£000	£000	£000	£000
General management and administration	29	431	460	365
Governance	38	590	628	498
Finance costs	76	1,154	1,230	976
Human resources	62	922	984	780
Information and technology	150	2,287	2,437	1,933
	<u>355</u>	<u>5,384</u>	<u>5,739</u>	<u>4,552</u>

Support costs have been allocated to expenditure headings based on the proportion of direct costs included in each heading.

6 Staff costs

	2022	2021
	£000	£000
Wages and salaries	20,566	17,964
External agency costs	958	716
Social security costs	1,876	1,663
Pension costs: Defined benefit	(416)	(211)
Pension costs: Defined contribution	650	569
	23,634	20,701
	29	32

Pension contributions made by Rethink Mental Illness in respect of higher paid employees amounted to:

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year and to whom retirement benefits are accruing under money purchase and defined benefit pension schemes are:

	2022	2021
	Number	Number
£60,001 - £70,000	8	7
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	1	2
£110,001 - £120,000	2	1
£170,001 - £180,000	1	1
	15	13

Key management remuneration relating the Executive Officers during the year totalled £752,850 (2021: £710,427) for 6 employees (2021: 6)

The average number of employees, based on head count, analysed by function was:

	Average Number of Employees	
	2022 Number	2021 Number
Charitable activities Contract Staff	756	687
Charitable activities Bank Staff	160	155
Cost of generating funds	23	21
Governance and administration support	9	9
	<u>948</u>	<u>872</u>

The amount of redundancy and settlements paid to employees during the year was £222,909 (2021: £167,150). There were no outstanding redundancy settlements at year end.

7 Trustees' emoluments

Trustees are not remunerated.

Expenses for travelling and subsistence on Charity business in the amount of £893 (2021: £0) were reimbursed to 3 Trustees (2021: 0).

8 Intangible and Tangible fixed assets

	Intangible Assets	Land, buildings & property improvements	Furniture & Equipment	Total
	£000	£000	£000	£000
Cost				
At 1 April 2021	1,599	3,910	683	6,192
Additions	12	1,194	95	1,301
Disposals	(1,175)	(861)	(254)	(2,290)
At 31 March 2022	436	4,243	524	5,203
Depreciation				
At 1 April 2021	1,391	1,750	617	3,758
Charge for year	201	52	58	311
On disposals	(1,173)	(746)	(253)	(2,172)
At 31 March 2022	419	1,056	422	1,897
Net book value				
At 31 March 2022	17	3,187	102	3,306
At 31 March 2021	208	2,160	66	2,434

Of the land and buildings at cost, freehold was £2,326,000 and leasehold £425,000 (2021: freehold £2,207,000 and leasehold £1,047,000). All fixed assets are utilised by the Charity/Group for charitable purposes.

9 Investments

	Group		Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
Market Value at beginning of year	8,745	7,166	8,734	7,169
Additions	4,196	1,453	4,196	1,453
Disposal Proceeds	(4,603)	(1,428)	(4,603)	(1,428)
Net movement in cash	566	(66)	566	(66)
Net realised investments Gain/ (Loss)	389	120	389	120
Net unrealised investments Gain / (Loss)	(152)	1500	(156)	1486
Market Value at end of year	9,141	8,745	9,126	8,734
Historical cost at end of year	7,593	6,460	7,493	6,460
Investments are represented by:				
100% holding in Rethink Trust Corporation Limited	-	-	100	100
UK Fixed Interest	857	1,063	742	952
Overseas Fixed Interest	303	233	303	233
UK Equities	2,247	2,361	2,247	2,361
Overseas Equities	3,955	3,914	3,955	3,915
Alternative Assets – Property	1,073	956	1,073	956
Cash Balances	706	218	706	217
	9,141	8,745	9,126	8,734

10 Debtors

	Group		Charity	
	2022 £000	2021 £000	2022 £000	2021 £000
Trade Debtors	4,002	4,969	985	1,929
Amount due from subsidiary undertakings	-	-	-	-
Prepayments & Accrued Income	2,746	1,166	2,168	849
Other Debtors	104	18	104	11
	6,852	6,153	3,257	2,789

11 Creditors: amounts due within one year

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	1,082	438	856	162
Accruals	1,549	882	1,225	867
Pension deficit payments	478	566	478	566
Deferred income (note 14)	1,847	2,708	1,042	1,018
Tax and social security	984	1,647	553	401
Other creditors	4,827	2,847	1,293	1,474
Amount due to subsidiary undertaking	-	-	1,550	1,058
Amounts due to related undertaking	600	600	600	600
	11,367	9,688	7,597	6,146

12 Creditors: amounts due after one year

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
TPT Retirement Solutions – Growth Plan	90	454	90	454
TPT Retirement Solutions – Care Plan	1,908	2,408	1,908	2,408
MHUK Loan	476	1,076	476	1,076
CAF Grant (April 22 – Dec 23)	1,493	1,839	1,493	1,839
	3,967	5,777	3,967	5,777

Amounts due after 5 years are Growth Plan £0 and Care Plan £246,000.

The MHUK Loan is formalised by a Connected Charity Repayment Agreement stipulating full repayment of the principal by 15th January 2024. Repayments are made on a monthly basis and there is no interest payable on the loan.

Funds held as agent:

During the year the charity acted as agent for the Somerset Alliance, a Sustainability and Transformation Partnership. As agent, the charity processed income of £5,771,140 and expenditure of £4,010,055 including a £230,846 management fee retained by Rethink Mental Illness Limited as Lead Accountable Body. At the year end a balance of £3,134,565 remained held as agent and is included above in Other Creditors. The Charity had one

Notes to the Financial Statements

Year ended 31 March 2022

area of direct delivery during 2021/22 for Peer Mentoring for which income of £96,000 and expenditure of £46,000 are included within these accounts.

13 Provisions for Liabilities

	Balance at 1 April 2021	Charged to the SOFA	Released	Balance at 31 March 2022
	£000	£000	£000	£000
Dilapidation costs on leased properties	350	91	-	441
Total for the Charity	350	91	-	441

The £91,000 charged to the SOFA is for dilapidation costs at 89 Albert Embankment. The existing provision was not used due to it being understated. The provision has not been increased further than this due to the lack of a reliable estimate.

14 Deferred Income

	Group		Charity	
	2022	2021	2022	2021
	£000	£000	£000	£000
Balance at beginning of year	2,708	1,050	1,018	493
Amount released to incoming resources	(2,325)	(871)	(1,018)	(493)
Amount deferred in the year	1,464	2,529	1,042	1,018
Balance at end of year	1,847	2,708	1,042	1,018

Deferred income comprises service income received in advance and grants which the donor has specified must be used in future accounting periods.

The 3 year CAF Grant had a deferred balance of £2,291,000 at the financial year end which is represented by £800,000 of creditors due within one year and £1,491,000 of creditors due after one year.

15 Statement of funds

Group and Charity

	Balance at 1 April 2021	Incoming resources	Expenditure	Gain/Loss on investments	Transfers	Balance at 31 March 2022
	£000	£000	£000	£000	£000	£000
General funds	7,508	31,769	(29,122)	237	(1,686)	8,706
Designated funds						
Estates	592	-	(20)	-	(200)	372
ICT Infrastructure	1964	-	(312)	-	-	1,652
Organisational Development	560	-	(204)	-	-	356
Mental Health UK Investment Fund	238	-	(111)	-	-	127
CTC – Resourcing	-	-	-	-	525	525
CTC – Delivery	-	-	-	-	474	474
Estates Repairs Fund	-	-	-	-	1,200	1,200
Total Designated Funds	3,354	-	(647)	-	1,999	4,706
Total General funds and Designated funds	10,862	31,769	(29,769)	237	313	13,579
Restricted funds						
CAF Grant	-	608	(608)	-	-	-
Welfare Funds	72	19	(8)	-	34	117
Capital Restricted Fund	252	-	(2)	-	-	250
Groups Fund	196	100	(82)	-	-	214
COVID Income w/ Restriction	219	551	(551)	-	(219)	-
Mental Health UK – Lloyds Banking Group	-	1,928	(1,860)	-	-	68
Time to Change – in conjunction with MIND	-	51	(51)	-	-	-
Other Restricted Fund Balances	368	2,453	(2,396)	-	(128)	297
Total Restricted Funds	1,107	5,710	(5,558)	-	(313)	946
Total Funds	11,969	37,479	(35,327)	237	-	14,358

Represented by:

	General Funds	Designated Funds	Restricted Funds	Total Funds
	£000	£000	£000	£000
Intangible Assets	17			17
Fixed Assets – Tangible Assets	3,039		250	3,289
Fixed Assets – Investments	9,141			9,141
Current Assets	12,284	4,706	696	17,686
Current Liabilities	(11,367)			(11,367)
Non-Current Liabilities	(3,967)			(3,967)
Provision for Liabilities	(441)			(441)
	8,706	4,706	946	14,358

Designated funds

Bought forward Designated Funds relate to the following:

- **Estates Fund** – The Estates fund provides income for major repairs, refurbishments, alterations and supporting the transformation to agile working.
- **IT Infrastructure** – funds designated for the upgrade, development or replacement of IT infrastructure and systems including HR, CRM, Housing Management & Finance.
- **Organisation Development** - The objectives of the fund include management training, marketing spend, fundraising support and general innovation.
- **Mental Health UK Investment** - represents monies set aside for the future development of the fundraising department.

Three new designated funds were approved by the Board during this financial year:

- **Communities that Care - Resourcing Fund** – Investment to ensure that the charity has the core foundations and infrastructure of an organisation that can effectively support the delivery of CtC as the strategy develops.
- **Communities the Care – Delivery Fund** – This fund will help underpin the agenda to improve knowledge management strategy, capturing data that helps to build and extend our portfolio of services and innovations.
- **Estates Repairs Fund** - Investment will address historic under investment in the condition of the accommodation estate portfolio and refurbishment of pilot properties under the Communities that Care (CtC) strategy.

Restricted funds

- The CAF grant will enable the charity to build place-based alliances and influence the community mental health transformation in 4 new ICSs areas: North East Lincs, East London, Coventry and Warwickshire and Sheffield. It also gives us the resource to influence the wider roll out of the community mental health framework.
- Welfare Funds represent income that has been specifically given to Services to be controlled by service users as part of their recovery. Service users are able to decide how to utilise this income subject to the financial regulations of the Charity.
- The Capital Restricted Fund represents the balance of funds held relating to purchase of property or property improvements. Depreciation charges relating to property assets are charged against this fund.
- The Groups Fund represents the balances of funds held by 126 peer support groups that operate under the Rethink Mental Illness charity number.
- The Fund entitled “Mental Health UK – Lloyds Banking Group” represents funds received to create and sustain the Mental Health and Money Advice Service.
- The Fund entitled “Time to Change - in conjunction with MIND” represents unexpended income received in connection with the Time to Change campaign. The campaign finished in March 2021 and as such there is no carried forward fund.
- Other Restricted Funds represent unexpended income that has been received for a specific purpose. The total balance of £297,000 is made up of 12 separate balances held against individual services.
- The COVID Income w/ Restriction Fund is comprised of Local Authority Infection Control funding which was unspent in the 21/22 financial year.

Transfers between funds

- £200,000 transfer from Estates Designated fund to Unrestricted Fund relating to the use of designated funds towards the London Office refurbishment.
- £2,200,000 in total transfer from Unrestricted Funds to Designated Funds as approved by Board for investment in Communities that Care Resourcing and Delivery and Estates Repairs.
- £34,000 transfer from Other Restricted Funds to Restricted Welfare Fund to correct classification in prior year.
- £219,000 transfer from Restricted Covid Income fund to Unrestricted Funds correcting an overstatement of the restricted fund in the prior year for income which had been deferred.
- £128,000 transfer from Other Restricted Funds to correct historic errors whereby funds had been spent in prior years but not allocated within the correct fund.

15a Statement of funds 2021

For comparative purposes the below tables are provided.

Group and Charity

	Balance at 1 April 2020	Incoming resources	Expenditure	Gain/Loss on investments	Transfers	Balance at 31 March 2021
	£000	£000	£000	£000	£000	£000
General funds	6,143	28,641	(26,430)	1,622	(2,468)	7,508
Designated funds						
Repairs and Refurbishment	207	-	-	-	385	592
ICT Infrastructure	-	-	-	-	1,964	1,964
Organisational Development	55	-	-	-	505	560
The Pensions Trust Care Plan	355	-	-	-	(355)	-
Mental Health UK – Lloyds Banking Group	286	-	(48)	-	-	238
Total Designated Funds	903	-	(48)	-	(2,499)	3,354
Total General funds and Designated funds	7,046	28,641	(26,478)	1,622	31	10,862
Restricted funds						
CAF Grant	-	62	(62)	-	-	-
Welfare Funds	54	18	-	-	-	72
Capital Restricted Fund	262	-	-	-	(10)	252
Groups Fund	173	55	(33)	-	1	196
COVID Income w/ Restriction	-	387	(168)	-	-	219
Mental Health UK – Lloyds Banking Group	-	1,884	(1,884)	-	-	-
Time to Change – in conjunction with MIND	4	943	(947)	-	-	-
Other Restricted Fund Balances	208	1,092	(910)	-	(22)	368
Total Restricted Funds	701	4,441	(4,004)	-	(31)	1,107
Total Funds	7,747	33,082	(30,482)	1,622	-	11,969

Represented by:

	General Funds £000	Designated Funds £000	Restricted Funds £000	Total Funds £000
Intangible Assets	208	-	-	208
Fixed Assets – Tangible Assets	2,031	-	195	2,226
Fixed Assets – Investments	8,745	-	-	8,745
Current Assets	12,339	3,354	912	16,605
Current Liabilities	(9,688)	-	-	(9,688)
Pension Liabilities	(5,777)	-	-	(5,777)
Provision for Liabilities	(350)	-	-	(350)
	<u>7,508</u>	<u>3,354</u>	<u>1,107</u>	<u>11,969</u>

16 Financial commitments

At 31 March 2022, the Group and Charity have commitments under non-cancellable leases as follows:

	2022			2021		
	Premises £000	Other £000	Total £000	Premises £000	Other £000	Total £000
Expiry date:						
Less than one year	954	156	1,110	781	155	936
Two to five years	2,644	289	2,933	1,063	464	1,527
Over five years	2,016	-	2,016	36	-	36
Total for the Charity	<u>5,614</u>	<u>445</u>	<u>6,059</u>	<u>1,880</u>	<u>619</u>	<u>2,499</u>

17 Capital commitments

As at the financial year end, the charity had capital commitments of £44,000 in relation to AV equipment for the London HQ office.

18 Pension Schemes

The Charity is a member of two defined benefit pension schemes providing benefits based on career average pensionable pay. Because the Charity is one of several contributors to these schemes and is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, Rethink Mental Illness has entered into a deficit recovery payment plan with TPT Retirement Solutions and as such has recognised this liability in the balance sheet.

A full actuarial valuation for the Care scheme was carried out at 30 September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. Rethink Mental Illness will be required to make deficit recovery payments of £425,000 in 2022/23 (£412,000 – 2021/22) and the annual value of the deficit recovery payment will increase by 3% each year up to 30 September 2027. The Present Value of the future additional deficit recovery payments is £2,333,000 based upon a discount rate of 2.55%.

The Charity has been notified by the TPT Retirement Solutions that the estimated employer debt on withdrawal from the Care Plan scheme, as at 30 September 2021, was £10.83 million. The debt on withdrawal would crystallise upon the last active member leaving the Plan. The possibility of this debt crystallising is considered remote and, therefore, no adjustment has been made to the accounts.

A full actuarial valuation for the Growth scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. Rethink Mental Illness will be required to make deficit recovery payments of £52,000 in 2022/23 (£154,000 – 2021/22) and the annual value of the deficit recovery payment will increase by 3% each year up to 31 January 2025. The Present Value of the future additional deficit recovery payments is £141,757 based upon a discount rate of 2.35%.

The Charity has been notified by the TPT Retirement Solutions that the estimated employer debt on withdrawal from the Growth Plan scheme, as at 30 September 2021, was £1,287,767. The debt on withdrawal would crystallise upon the last active member leaving the Plan. The possibility of this debt crystallising is considered remote and, therefore, no adjustment has been made to the accounts.

There have been no new admissions to TPT Retirement Solutions CARE scheme after September 2013.

The Charity also makes contributions to a number of money purchase pension schemes on behalf of certain employees. These include contributions to schemes where Rethink Mental Illness has been granted “admitted body status, and there were contributions to other money purchase schemes.

In line with Government Auto Enrolment requirements, a new defined contribution scheme provided by the People’s Pension was made available for all staff to participate in from September 2013 onwards.

Rethink Mental Illness contributions to all defined benefit pension schemes are expected to be £477,000 for the year ending 31 March 2023.

Expenditure charged with regard to Pension Schemes	2022	2021
	£000	£000
People’s Pensions Schemes	642	569
TPT Care including re-measurement charges	(101)	(232)
TPT Growth including re-measurement charges	(315)	21
Allied Dunbar	3	3

Standard Life	5	7
	<u>234</u>	<u>368</u>

19 Subsidiary undertakings

All subsidiary companies dormant or active hold the same registered office address

Registered Office

The Dumont
28 Albert Embankment
London
SE1 7GR

NSF Trustees Limited, Company Registration Number 02515917, incorporated in England and Wales

NSF Trustees Limited is a company limited by guarantee. The Charity has control of this company by virtue of voting rights in respect of the appointment and removal of directors. The principal activity of the company is to act as a Corporate Trustee of any Trust whose objectives include provision for a person or persons suffering from severe mental illness. All activities of this company have been consolidated in the SOFA on a line by line basis.

	2022	2021
	£000	£000
Turnover	75	69
Cost of sales	-	-
Gross profit	<u>75</u>	<u>69</u>
Administrative expenses	(27)	(29)
Gift Aid payable to Charity	<u>(48)</u>	<u>(40)</u>
Net result	<u>-</u>	<u>-</u>

The aggregate of the assets, liabilities and funds:

	2022	2021
	£000	£000
Assets	85	76
Liabilities	<u>(61)</u>	<u>(51)</u>
Funds	<u>24</u>	<u>25</u>

Rethink Mental Illness

Notes to the Financial Statements

Year ended 31 March 2022

Amounts owed to Rethink Mental Illness included as a creditor in these accounts were £55,032 (2021: £39,742).

Rethink Trust Corporation Limited, Company Registration Number 07327597, incorporated in England and Wales

Rethink Trust Corporation Limited is a private company limited by shares. The sole member of the company is the Charity. The share capital of the company is £250,000 of which £100,000 has been called up and paid representing £100,000 share capital investment by Rethink Mental Illness. The principal activity of the company is to undertake trust business including acting as trustee under wills and settlements and acting as executor and administrator. All activities of this company have been consolidated in the SOFA on a line by line basis.

	2022	2021
	£000	£000
Turnover	86	96
Cost of sales	-	-
Gross profit	86	96
Administrative expenses	(18)	(18)
Investment Gains/(Losses) <i>split from turnover row</i>	5	-
Gift Aid payable to Charity	(60)	(78)
Net result	13	-

The aggregate of the assets, liabilities and funds:

	2022	2021
	£000	£000
Assets	190	183
Liabilities	(77)	(83)
Funds	113	100

Amounts owed to Rethink Mental Illness included as a creditor in these accounts were £69,781 (2021: £78,418).

Rethink Mental Illness Limited, Company Registration Number 04570581, incorporated in England and Wales.

Rethink Mental Illness Limited is a private company limited by shares. The sole member of the company is the Charity. The principal activity of the company is the provision of community based mental health related services across England. All activities of this company have been consolidated in the SOFA on a line by line basis.

Rethink Mental Illness

Notes to the Financial Statements

Year ended 31 March 2022

	2022	2021
	£000	£000
Turnover	22,195	18,132
Cost of sales	(17,045)	(14,892)
Gross profit	5,150	3,240
Administrative expenses	(3,430)	(2,692)
Gift Aid payable to Charity	(1,720)	(548)
Net result	-	-

The aggregate of the assets, liabilities and funds:

	2022	2021
	£000	£000
Assets	7,029	5,132
Liabilities	(7,029)	(5,132)
Funds	-	-

Amounts owed to Rethink Mental Illness included as a creditor in these accounts were £1,720,000 (2021: £764,900). Management charge amounting to £3,430,000 was charged from the Charity to Rethink Mental Illness Limited in the year. (2021: £2,691,000)

Dormant Subsidiary Undertakings

The following two wholly owned subsidiaries are all companies incorporated in England and Wales. They have not been consolidated within these financial statements as they are all dormant and have no assets or liabilities:

- Rethink Severe Mental Illness Limited, Company Registration Number 04396376
- Rethink Mental Health Limited, Company Registration Number 4571057

20 Fund for which the Charity acts as Trustee

The Befriending Visitors Service (not consolidated)

	2022	2021
	£000	£000
Income	-	-
Cost of sales	-	-
Gross profit	-	-
Payment to Rethink Mental Illness	-	-
Net loss	-	-
The aggregate of the assets, liabilities and funds:		
Assets	38	38
Liabilities	-	-
Funds	38	38

21 Fund for which the Charity acts as Agent

Open Mental Health - The Somerset Alliance

	2022	2021
	£000	£000
Income	5,771	3,191
Cost of sales	(4,010)	(2,200)
Gross profit	1,761	991
Payment to Rethink Mental Illness	-	-
Net profit	1,761	991
The aggregate of the assets, liabilities and funds:		
Assets	3,134	991
Liabilities	-	-
Funds	3,134	991

22 Related parties

Transactions with subsidiary companies and connected companies are disclosed in Note 19. Trustees' emoluments are disclosed in Note 7. There are no other related party transactions to disclose.

23 Connected Entities

Mental Health UK a Charitable Incorporated Organisation (CIO) charity number 1170815

Registered Address

The Dumont
28 Albert Embankment
London
SE1 7GR

Rethink Mental Illness is connected with Mental Health UK a Charitable Incorporated Organisation (CIO). Rethink Mental Illness, Hafal in Wales, MindWise in Northern Ireland, and Support In Mind Scotland are all members of Mental Health UK. Mental Health UK is not considered part of the Rethink Mental Illness Group and has not been consolidated in the financial statements.

24 Reconciliation of net incoming resources to net cash inflow from operating activities

	2022	2021
	£000	£000
Net incoming resources before transfers	2,389	4,222
(Gains) / losses on investments	(237)	(1,622)
Investment Income	(193)	(186)
Depreciation	311	477
(Profit) / Loss on disposal of fixed assets	118	9
Decrease/(increase) in stock	(4)	3
Decrease/(increase) in debtors	(698)	(1,402)
(Decrease) / Increase in creditors	256	5,282
Increase in provisions for liabilities	90	84
(Decrease)/increase in pension	(387)	(678)
Net cash outflow from operating activities	1,645	6,189

25 Analysis of changes in net funds

	At 1 April 2021	Cash flows	At 31 March 2022
	£000	£000	£000
Balance Sheet Cash at bank and in hand	10,442	378	10,820
Cash for Cash Flow Statement	10,442	378	10,820

26 Financial Instruments

At the balance sheet date, the group held financial assets at fair value of £9,141,000 (2021 £8,745,000).

Thank you for your Support

Sport England

The Stone Family Foundation

Rayne Foundation

The National Lottery Community Fund

The City of London Corporation charity, City Bridge Trust

Department of Health and Social Care (Suicide Prevention Fund)

Capital One

Liberty Specialist Markets

Berkeley St Edward

Pension Insurance Corporation

Janssen UK

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For further information
Telephone 0121 522 7007
Email info@rethink.org
www.rethink.org