Company registration number: SC185967

Charity registration number: SC021154

Skye and Lochalsh Mental Health Association

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Skye and Lochalsh Mental Health Association

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Skye and Lochalsh Mental Health Association

Reference and Administrative Details

Trustees	Mr L MacDonald Dr S Potts Ms H McLoughlin Ms S MacDonald Dr H Mcardle Ms K Mackay Dr G Terry Mrs E Bouwmeester Ms C Forsyth Mr N Clapperton
Secretary	Ms S Mackenzie
Charity Registration Number	SC021154
Company Registration Number	SC185967
	The charity is incorporated in Scotland.
Registered Office	Am Fasgadh Wood Park Dunvegan Road Portree Isle of Skye IV51 9HQ
Independent Examiner	Hollie Mackay CA Independent Examiner A9 Accountancy Limited Elm House Cradlehall Business Park Inverness IV2 5GH
Solicitors:	Ferguson MacSween & Stewart Bridge Road Portree Isle of Skye IV51 9ER
Bankers	Clydesdale Bank Plc Somerled Square Portree Isle of Skye IV51 9EH

Skye and Lochalsh Mental Health Association

Chairman's Report for the Year Ended 31 March 2022

This has been a year of significant change for SLMHA but one that has been well managed, and we are moving forwards with optimism.

Firstly, services have gradually returned to normal as Covid restrictions have eased. I want to again thank staff and members for managing the last 2 years as well as they have - the response of Am Fasgadh to the pandemic has been a real credit to the organisation.

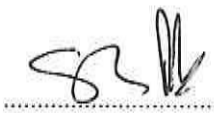
The biggest change however is that we have said goodbye to Alex Jones after 18 years of dedicated service. We sincerely thank Alex for all his hard work and commitment over the years seeing Am Fasgadh through from its early years to its well established and respected position today. Fortunately, thanks to true teamwork between Alex and Sandra Mackenzie over many years of working together, the transition has been impressively smooth with Sandra taking over as SLMHA Manager. The Board has every confidence that Am Fasgadh remains in capable hands, and we are grateful to Sandra for taking the organisation forwards with energy, experience and understanding.

Staffing levels challenges have been met with the appointment of 2 new project workers Katherine Nicolson & Fiona MacLeod and the outsourcing of our bookkeeping. In addition, weekend services were able to resume with the appointment of Orsi Gila who is now working fulltime to cover maternity leave. The team are very grateful to have been aided by our volunteer cook James Cryer freeing up staff time and keeping everyone well fed. A full team is key to meeting members needs over the coming year - the stress of repeated lockdowns with reductions in statutory services has taken its toll on people with mental illness. Added to this, the consultant psychiatrist post is once again covered by a locum service. Am Fasgadh, the Kyle drop-in and our Outreach service can and will provide true support and practical help for our members who are among the most vulnerable in our community.

A second significant organisational change is that we now work with a professional fundraiser: Jane Issacson has been engaged to advise on and assist with securing funding and we hope that this arrangement will ensure that not only does SLMHA survive but that it will continue to grow and help meet our society's need for mental health support. We hope too that NHS Highland and the Scottish Government will fully recognise and properly fund our work going forwards.

Thanks to all the extra funding made available during Covid and the resourcefulness of our managers in securing it, we are currently in a healthy financial situation. Although negotiations with NHS Highland regarding our core funding have been repeatedly delayed, we have a good safety net for now, important when there is likely to be greater competition for future funding sources. A grant of £14,000 was secured from the Mental Health Wellbeing Fund allowed the re-opening of the weekend services (Dec'21-April '23). We would also like to acknowledge significant donations in the past year from Dion Skye £4,271, Skye and Lochalsh Foodbank £3,000, Kate Davis (who ran a pop-up shop in Plockton) £500 and Plockton Carol Singing Group £230.

The Furniture Project is busy once again but is limited in capacity - it has great potential socially and financially but requires significant initial investment. This will be a focus for further development in the future.



Dr S Potts

Date 14/7/22

Skye and Lochalsh Mental Health Association

Trustees' Report including the Director's Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Association is a registered Scottish charity and a company limited by guarantee. It is governed by a Board of Directors whose members are both the directors of the company and trustees of the charity.

Recruitment and appointment of new trustees

Board members can be appointed in one of two ways. Firstly, they can be appointed by the members of the company in general meeting; all members are entitled to one vote. Secondly, they can be invited by the existing Board to serve in an interim capacity until their appointment is approved by the membership at the next general meeting. All members of the Board must also be ordinary members of the Association.

Each year the Board reviews its membership and identifies any gaps that may exist, taking account of Directors' skills, knowledge and expertise as well as representation of stakeholders and of geographical areas. New invitations to join the Association and the Board are then made based on this review. Potential Board members are welcome to approach the Association and appropriate applicants will be invited to join.

Induction and training of new trustees

The Association produces a Directors' handbook which is issued to all trustees. As well as providing a "job" description and guidance on the role of Director, it summarises key information on the organisation, including activities, structure and finances. The Manager and experienced trustees make time available to discuss this and other queries. Professionally published material on the role of voluntary sector trustees is also made available.

Organisational structure

The operation and the day to day delivery of the service at Am Fasgadh to our members is delegated to the manager Sandra Mackenzie. This is done within the context of policies and procedures which are ratified by the trustees. These policies set out a minimum standard of good practice and the values and objectives that are intended to inform the staff response to whatever situations arise.

The trustees are responsible for

- Approving operational policies and procedures
- Approving and reviewing the organisation's aims and objectives
- Setting reserves policy
- Approving an operational budget for each financial year
- Setting pay and conditions of employment for all staff
- Providing an annual appraisal of the Manager's performance
- Reviewing all aspects of the organisation's performance through the Manager's regular reports and instructing changes where necessary.

Related parties

No transactions with related parties arose during the year.

Risk management

The trustees recognise their duty to identify and review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees are confident that these provide reasonable, but not absolute, protection against material misstatement and loss.

Use of volunteers

In accordance with the Service Delivery Contract, the delivery of core services is not reliant on volunteers. The Association aims to create an environment in which members are involved in the daily running of the centre and also provides placements for individuals on employment schemes and community payback orders. Any activity that would be considered restricted work and require PVG scheme membership will only be carried out by paid members of staff.

The furniture project is reliant on volunteers, and in the year under review these were all drawn from the members of the Association. The trustees promote this as a way of developing members' skills and confidence and in order to break down stigma by raising the public profile of the Association. In the year under review the project used an average of 8 hours a week of voluntary work.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the company in the year under review was to support adults in Skye and Lochalsh who are affected by problems resulting from mental illness including stress, social isolation and addiction. To this end the company provides support services directly to its members through its drop-in centre and through outreach work.

Mental health services

SLMHA supported 94 people in the year under review. The largest part of the service is Am Fasgadh, our drop-in centre in Portree, which was used by 80 people. It provides a place to meet people and access social and emotional support, low cost food, internet access, laundry facilities and games and activities. An Drochaid, our weekly Lochalsh drop-in, was used by 15 people.

The drop-in service supports members with their mental health in many ways depending on their individual circumstances. First and foremost it provides a safe and welcoming environment in which they can meet people and escape the social isolation that so often accompanies mental illness. A significant percentage of our members say that they have no other social contacts. It also offers a place to talk through day to day concerns, difficulties and anxieties as they arise.

The key features of the service are the immediacy of support and the relationship of trust members develop. The degree of anxiety that can be caused by simple events such as a summons to a medical assessment or an overdue bill is often not appreciated. Situations with the potential to snowball into a full blown crisis can be resolved simply with the right support but it has to be available straight away. Making a future appointment with an advice service isn't enough because panic and unwise responses can cause considerable harm in the intervening time. Our members are also far more likely to address and follow up a problem when supported by someone they know well and trust. It often takes encouragement and persuasion to get someone to go to the doctor, appeal a benefits decision or get professional advice on a problem. The same support also greatly improves the chances of that leading to changes that are sustained. Our members tell us that it is far easier to turn to us than to someone they would have to tell their story to from the beginning.

Outreach support is provided to clients referred by the Community Psychiatric Nurses. The project supported 13 such clients during the year, including some of the most vulnerable and isolated people in our community. This is funded by NHS Highland in addition to the Service Delivery Contract.

In addition to the core support, we provided informal advocacy by speaking to other services on their behalf, attending meetings and appointments with them or helping with letters. Support of this kind significantly increases the likelihood of members keeping appointments. It often happens that people faced with a problem don't know where to turn and, lacking confidence, would take no action if they couldn't share the problem with someone they trust.

We help extensively with financial matters, including support with benefits applications, personal budgets and financial planning. Support is particularly needed by those whose benefit payments are stopped because they fail to attend appointments or respond to letters. This is a particular risk for people with mental health problems. A lot of work goes into preventing sanctions and no regular service users were sanctioned in the year under review.

Another aspect of the service is support with housing issues and maintaining tenancies. No regular service users were made homeless during the year under review.

14 new clients used our services for the first time in the year under review. 9 of whom were referred by their GP or CPN and 5 that self-referred.

Furniture project

The Association accepts donations of furniture and household goods that are no longer needed and passes them on for a donation to those in need. The project continues to provide volunteering experience to members of the Association and to deliver essential items to those in need on a weekly basis. We were lucky this past year to have a regular volunteer who was able to commit to a regular slot which is really helpful.

FINANCIAL REVIEW

The Trustees have been having ongoing discussions with NHS Highland regarding the future of our funding. They have committed to this financial years' package of funding and hopefully we will have a new commitment in the coming weeks.

Reserves Policy

The company aims to retain 25% of its total annual expenditure as unrestricted undesignated reserves. At this time the trustees feel this is necessary to afford the Association time to make alternative plans in the event of further cuts or loss of funding.

As indicated in the balance sheet at 31 March 2022, unrestricted undesignated reserves stood at £57,199 and therefore the charity holds sufficient reserves.

Investment Performance

As expected, low interest rates meant that income from investment was very small in the year under review. This situation appears likely to continue and future budgets are being prepared on this assumption.

Principal Funding Sources

The majority of our income in the year under review was from NHS Highland, through a service delivery contract for the core service and payments for outreach support. This was supplemented by grants from Mental Health and Wellbeing Fund to support the reopening of the weekend service, this money covers the period from the end of December 2022 until 31 March 2023.

Investment Policy and Objectives

The Memorandum and Articles of Association place no restrictions upon the investment powers of the trustees. All funds not likely to be required in the next month are placed in a 30 day deposit account at the company's usual bankers.

FUTURE DEVELOPMENTS

For the first time ever the Trustees have commissioned the services of a freelance fundraiser and development consultant who is working closely with the manager and the trustees to find and apply for funding, seek out new opportunities for future development and to build the associations resilience.

Skye and Lochalsh Mental Health Association

Trustees' Report including the Director's Report

Statement of Trustees' and Directors' Responsibilities

The trustees (who are also the directors of Skye and Lochalsh Mental Health Association for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 in business.

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

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 5 July 2022 and signed on its behalf by:

.....

Dr S Potts
Trustee

Skye and Lochalsh Mental Health Association

Independent Examiner's Report to the trustees of Skye and Lochalsh Mental Health Association ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of Skye and Lochalsh Mental Health Association (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The trustees consider that an audit is not required for this year under Regulation 10(1) (a) to (c) of the Accounts Regulations. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounting Regulations;

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Hollie Mackay

Hollie Mackay CA
Independent Examiner

A9 Accountancy Limited
Elm House
Cradlehall Business Park
Inverness
IV2 5GH

Date: 18/07/22

Skye and Lochalsh Mental Health Association

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	12,023	36,000	48,023	88,301
Charitable activities	4	163,380	-	163,380	163,283
Investment income	5	33	-	33	-
Total Income		175,436	36,000	211,436	251,584
Expenditure on:					
Charitable activities	6	(186,362)	(22,283)	(208,645)	(207,926)
Total Expenditure		(186,362)	(22,283)	(208,645)	(207,926)
Net (expenditure)/income		(10,926)	13,717	2,791	43,658
Net movement in funds		(10,926)	13,717	2,791	43,658
Reconciliation of funds					
Total funds brought forward		94,622	23,886	118,508	74,850
Total funds carried forward	16	83,696	37,603	121,299	118,508

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 16.

Skye and Lochalsh Mental Health Association

(Registration number: SC185967)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	22,159	27,608
Current assets			
Stocks	12	1,075	650
Debtors	13	8,328	8,251
Cash at bank and in hand		97,809	92,948
		107,212	101,849
Creditors: Amounts falling due within one year	14	(8,072)	(10,949)
Net current assets		99,140	90,900
Net assets		121,299	118,508
Funds of the charity:			
Restricted		37,603	23,887
Unrestricted income funds			
Unrestricted		83,696	94,622
Total funds	16	121,299	118,509

For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 22 were approved by the trustees, and authorised for issue on 5 July 2022 and signed on their behalf by:

.....
Mr L MacDonald
Trustee

.....
Dr S Potts
Trustee

1 Charity status

The charity is limited by share capital, incorporated in Scotland.

The address of its registered office is:
Am Fasgadh
Wood Park
Dunvegan Road
Portree
Isle of Skye
IV51 9HQ

These financial statements were authorised for issue by the trustees on 5 July 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Companies Act 2006.

Basis of preparation
Skye and Lochalsh Mental Health Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern
The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. These conditions are outlined in the trustees' report. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Judgements
The use of judgement when applying accounting policies is not deemed to have had a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty
The use of judgement when applying accounting policies is not deemed to have had a significant effect on the amounts recognised in the financial statements.

Income and endowments
All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Income from government and other grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

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

Charitable activities

Income from charitable activites includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities.

Expenditure
All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs
Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs
These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants
Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation
The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets
Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance
Fixtures and fittings	15% reducing balance
Freehold land and buildings	Over 10 years

Stock
Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3 Income from donations and legacies

	Unrestricted General £	Restricted £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations from individuals	12,023	-	12,023	4,646
Grants, including capital grants;				
Government grants	-	-	-	5,601
Grant from other agencies	-	36,000	36,000	78,054
	12,023	36,000	48,023	88,301

4 Income from charitable activities

	Unrestricted Designated £	General £	Total 2022 £	Total 2021 £
NHS Highland Trust	-	143,213	143,213	143,213
Cafe	-	14,878	14,878	12,919
Financial Inclusion Projects	-	2,288	2,288	6,132
Furniture Project	3,001	-	3,001	1,019
	3,001	160,379	163,380	163,283

5 Investment income

	Unrestricted funds General £	Total 2022 £
Interest receivable and similar income;		
Interest receivable on bank deposits	33	33

6 Expenditure on charitable activities

	Note	Unrestricted Designated £	Unrestricted General £	Restricted £	Total 2022 £	Total 2021 £
Cafe		-	10,496	-	10,496	5,086
Furniture Project		-	-	-	-	632
In Kind Direct		-	1,738	-	1,738	3,597
Depreciation, amortisation and other similar costs		4,570	855	283	5,708	7,245
Staff costs	9	-	116,212	22,000	138,212	139,769
Allocated support costs	7	-	50,228	-	50,228	49,334
Governance costs	7	-	2,263	-	2,263	2,263
		4,570	181,792	22,283	208,645	207,926

7 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted General £	Total 2022 £	Total 2021 £
Bank charges	33	33	56
Establishment costs	10,639	10,639	8,843
Office expenses	4,845	4,845	5,745
Subscriptions	3,146	3,146	3,331
Rent	22,765	22,765	22,093
Sundry and other costs	3,475	3,475	6,051
Travel and subsistence	3,960	3,960	3,215
Fundraising and project development	1,365	1,365	-
	50,228	50,228	49,334

Governance costs

	Unrestricted General £	Total 2022 £	Total 2021 £
Independent examiner fees			
Examination of the financial statements	2,250	2,250	2,250
Legal and professional fees	13	13	13
	2,263	2,263	2,263

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	126,687	126,268
Social security costs	6,338	7,497
Pension costs	5,187	6,004
	138,212	139,769

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Project workers	6	5

4 (2021 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £46,374 (2021 - £65,366).

10 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	2,250	2,250

11 Tangible fixed assets

	Freehold interest in land and buildings (including heritage assets) £	Fixtures, fittings and equipment £	Plant and machinery including motor vehicles £	Total £
Cost				
At 1 April 2021	30,084	35,311	75,854	141,249
Additions	-	139	120	259
At 31 March 2022	30,084	35,450	75,974	141,508
Depreciation				
At 1 April 2021	30,084	31,459	52,098	113,641
Charge for the year	-	748	4,960	5,708
At 31 March 2022	30,084	32,207	57,058	119,349
Net book value				
At 31 March 2022	-	3,243	18,916	22,159
At 31 March 2021	-	3,852	23,756	27,608

12 Stock

	2022 £	2021 £
Stocks	1,075	650

13 Debtors

	2022 £	2021 £
Prepayments	6,192	6,310
Other debtors	2,136	1,941
	8,328	8,251

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	-	4,658
Other creditors	5,762	3,419
Accruals	2,310	2,872
	8,072	10,949

15 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Land and buildings		
Within one year	22,093	22,093
Between one and five years	88,372	88,372
After five years	243,023	265,116
	353,488	375,581

16 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
Unrestricted fund	70,142	172,435	(185,378)	57,199
Designated				
HIE Skye and Wester Ross	418	-	(127)	291
Highland Council MISG	513	-	(156)	357
Benefactor	140	-	(28)	112
Furniture project	21,517	3,001	(553)	23,965
Centre furniture	802	-	(120)	682
Branching out	1,090	-	-	1,090
	24,480	3,001	(984)	26,497
Total unrestricted funds	94,622	175,436	(186,362)	83,696
Restricted funds				
Highland Council Ward	186	-	(28)	158
NHS Highland	22,000	22,000	(22,000)	22,000
Portree & Braes Community Trust	1,700	-	(255)	1,445
Mental Health and Wellbeing Fund	-	14,000	-	14,000
Total restricted funds	23,886	36,000	(22,283)	37,603
Total funds	118,508	211,436	(208,645)	121,299

Skye and Lochalsh Mental Health Association

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General				
Unrestricted fund	44,098	204,565	(178,521)	70,142
Designated				
HIE Skye and Wester Ross	568	-	(150)	418
Highland Council MISG	696	-	(183)	513
Benefactor	175	-	(35)	140
Furniture project	26,562	1,019	(6,064)	21,517
Centre furniture	943	-	(141)	802
Branching out	1,589	-	(499)	1,090
	30,533	1,019	(7,072)	24,480
Total unrestricted funds	74,631	205,584	(185,593)	94,622
Restricted				
Highland Council Ward	219	-	(33)	186
NHS Highland	-	44,000	(22,000)	22,000
Portree & Braes Community Trust	-	2,000	(300)	1,700
Total restricted funds	219	46,000	(22,333)	23,886
Total funds	74,850	251,584	(207,926)	118,508

The specific purposes for which the funds are to be applied are as follows:

HIE Skye & Wester Ross and Highland Council MISG designated funds have been fully expended and are held against fixed assets with depreciation being charged against the fund.

The Benefactors' designated fund has continued to be used to meet members expenses and activities, out with the core services provided. Outgoing resources represent expenses for the benefactor activities and depreciation against assets which were purchased by the fund.

The furniture project collects items of unwanted furniture from the surrounding area and supplies it to those who have been homeless or have every little due to poverty and ill health.

Designated funds totalling £2,500 were received to purchase new furniture for the centre. These have have been fully expended and are held against fixed assets with depreciation being charged against the fund.

The Highland Council provided a ward grant for the purchase testing equipment, patio furniture and a loft ladder. This has been fully expended and are held against fixed assets with depreciation being charged against the fund.

NHS Highland provided a grant to support individuals with substance misuse and other mental health issues in collaboration with Skye & Lochalsh community mental health service.

The Robertson Trust provided a grant to support the drop in centre weekend service and the grant received was fully expended in the year for that purpose.

The designated Branching Out fund includes incoming resources from Highland Third Interface and is held by the charity for a mental health project which is a joint initiative between NHS Highland and the Forestry Commission. It is not a constituted group and cannot receive the money directly therefore the charity holds this money on their behalf.

The Portree & Braes Community Trust grant was for the purchase of a gazebo for the outdoor area. This has been fully expended and are held against fixed assets with depreciation being charged against the fund.

The Mental Health and Wellbeing Fund is to support the reopening of the weekend service.

17 Analysis of net assets between funds

	Unrestricted funds	Restricted	Total funds
	£	£	£
Tangible fixed assets	20,556	1,603	22,159
Current assets	71,212	36,000	107,212
Current liabilities	(8,072)	-	(8,072)
Total net assets	83,696	37,603	121,299

18 Related party transactions

There were no related party transactions in the year.