

Registered number: 506850

**MENTAL HEALTH REFORM
(A Company Limited by Guarantee)**

**DIRECTORS REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2016

**84 Northumberland Road
Ballsbridge
Dublin 4**

**Duignan Carthy O'Neill
Chartered Accountants
Registered Auditors**

MENTAL HEALTH REFORM
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors

Mark Byrne (appointed 31 March 2017)
Oliver Coleman Duffy (appointed 17 August 2016)
Conor Daly (appointed 7 April 2017)
Majella Darcy (appointed 6 July 2016, resigned 29 November 2016)
Paul Flynn (resigned 6 July 2016)
Jacinta Hastings (resigned 6 July 2016)
Agnes Higgins (appointed 28 November 2016)
Pádraig Love (appointed 7 April 2017)
Caroline McGrath
Sam McGuinness (resigned 6 July 2016)
Edmond Molloy
Carol Moore
Colette Nolan
Karl Richardson (resigned 21 March 2016)
Ali Rochford (appointed 6 July 2016)
Stephen Treacy (resigned 25 January 2017)
Tanya Ward

Company secretary Caroline McGrath

Registered number 506850

Registered office Coleraine House
Coleraine Street
Dublin 7

Independent auditors Duignan Carthy O'Neill
Chartered Accountants & Registered Auditors
84 Northumberland Road
Ballsbridge
Dublin 4

Bankers Bank of Ireland
34 College Green
Dublin 2

KBC Bank Ireland Plc
Sandwith Street
Dublin 2

Ulster Bank
P.O. Box 145
33 College Green
Dublin 2

MENTAL HEALTH REFORM
(A Company Limited by Guarantee)

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MENTAL HEALTH REFORM
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

Companies Act 2014

The company is a Limited by Guarantee Company under the provisions of the Companies Act 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the surplus or deficit of the Company for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and surplus or deficit of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

The principal activity of the company during the year was to promote improved mental health services.

Business review

The Directors consider the financial performance to be satisfactory. Overall, gross income increased €69,916 which was due in large part to increases in research and eMental Health (eMEN) project funding. The organisation generated a surplus of €23,882 from non-project related donations which will be retained for use on future campaigning activities.

For 2016, the Board determined that MHR's income was secure through 2016 and agreed that the most appropriate level of reserves should be kept at the level of €90,000.

MENTAL HEALTH REFORM
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

Directors

The directors who served during the year were:

Oliver Coleman Duffy (appointed 17 August 2016)
Majella Darcy (appointed 6 July 2016, resigned 29 November 2016)
Paul Flynn (resigned 6 July 2016)
Jacinta Hastings (resigned 6 July 2016)
Agnes Higgins (appointed 28 November 2016)
Caroline McGrath
Sam McGuinness (resigned 6 July 2016)
Edmond Molloy
Carol Moore
Colette Nolan
Karl Richardson (resigned 21 March 2016)
Ali Rochford (appointed 6 July 2016)
Stephen Treacy (resigned 25 January 2017)
Tanya Ward

Principal risks and uncertainties

In 2016 the Board continued to keep the organisation's fulfillment of the Governance Code under review.

The Directors reviewed the key risks and uncertainties facing Mental Health Reform and identified that these were sustainability, staff departures and reputational risk.

The company mitigates these risks as follows:

- Implementing an annual fundraising action plan;
- Documenting roles and procedures and cross-training staff; and
- Ensuring good governance and implementation of internal controls in managing finance, health and safety and communications.

The organisation's risk assessment will be reviewed in the third quarter of 2017.

Organisational structure

Board meetings are held 6 times a year and Directors are expected to attend a minimum of 4 meetings annually. The Board has two committees: the Finance and Audit Committee and the Fundraising Committee.

Mental Health Reform has a team of seven full-time staff members, one part-time staff member and one or two interns. As of December, 2016, the staff in post were the Executive Director (Shari McDaid), the Senior Research Officer (Esther Murphy), eMental Health Project Leader (Manus Hanratty), the eMental Health Project Executive (Dominika Topolska), the Policy and Research Officer (Kate Mitchell) and the Communications & Information Executive (Ray Burke). The role of Communications & Campaigns Officer was vacant as of the end of 2016.

Mental Health Reform is a coalition of organisations interested in the promotion of improved mental health services in Ireland. At the end of 2016, membership numbered 55 organisations.

Mental Health Reform offers both governing membership and associate membership to organisations who share our vision and values.

MENTAL HEALTH REFORM
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

Organisational structure (continued)

Governing membership is open to not-for-profit/non-governmental organisations with the exception of unions, professional associations, training and education bodies and non-governmental organisations that provide inpatient mental health services and/or approved centre(s).

Associate membership is open to all non-governmental organisations who are committed to the implementation of A Vision for Change, including unions, professional associations, training and education bodies and those who provide inpatient mental health services and/or approved centres. While Associate Members do not participate in the Board structures of MHR and do not have voting rights at Annual General Meetings, their participation is an integral part of the movement to improve mental health services in Ireland.

Statutory bodies or organisations established by or within statutory bodies, local authorities, governmental agencies and state entities are not eligible for membership of MHR.

Vision statement

MHR's vision is for an Ireland where people experiencing mental health difficulties can recover their well-being and live a full life in their community.

Mission statement

Mental Health Reform's mission is to be the unifying voice that drives progressive reform of mental health supports in Ireland.

Objectives and activities

The main object of the Company is to benefit the community by promoting best practice in all aspects of service provision to people experiencing mental health difficulties and advancing the education of the public at large to the benefits of an Ireland where people achieve and enjoy the highest attainable standard of mental health.

The following objects set out hereafter are exclusively subsidiary and ancillary to the main object set out above and these objects are to be used only for the attainment of that main object and any income generated therefrom is to be applied for the main object only.

1. To provide information and education on best practice in mental health service provision to groups and organisations, communities and other relevant persons.
2. To promote public awareness of the importance of mental health to the achievement of personal health and wellbeing.
3. To promote the provision of the highest attainable standard of public mental health and social services which are oriented to the individual's recovery and social integration into community life.
4. To provide assistance to and represent groups and bodies working in the mental health arena through consultation, information sharing and mutual support.
5. To train and work with other groups and bodies encouraging the fullest participation of mental health interest groups in the mental health discourse and the development of quality services.

MENTAL HEALTH REFORM
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance

To achieve our objectives Mental Health Reform works:

- to inform our members and the public about good quality mental health services and related income and social supports,
- to unite our members and service users and family members in building a movement to promote improved mental health services and related income and social supports,
- to advocate to the Government and the HSE for improved services.

Together with its member organisations and supporters, Mental Health Reform made progress towards achieving its objectives during 2016.

The organisation's membership increased from fifty-four to fifty-five organisations in 2016. The organisation also continued to consult with its advisory groups: the Grassroots Forum consisting of service user and family/carer nominees from its member organisations; the Ethnic Minorities Advisory Group, Homeless Sector Advisory Group and Multidisciplinary Advisory Group.

The Grassroots Forum held three meetings, including meetings with Liam Hennessy, Head of HSE Mental Health Service User and Family Engagement, and Fergus Finlay, Chair of the Comprehensive Employment Strategy Implementation Group.

Mental Health Reform worked on the Community Advocacy Needs pilot survey, analysing the data and writing up the draft report for this research that assessed mental health service users' need for community-based one-to-one advocacy supports. The report is due to be published in 2017.

The organisation prepared and submitted ten policy submissions to the Oireachtas, Government and its agencies, among which were:

- a submission on review of A Vision for Change
- a submission to the Oireachtas Committee on the Future of Healthcare
- a submission to phase three of the consultation on the National Disability Strategy Implementation Plan
- a submission to the Oireachtas Committee on Housing and Homelessness
- a submission to Strand 3 of the Comprehensive Employment Strategy
- comments to the HSE on standards for mental health services, and
- a submission on the 2017 budget

In December, and in partnership with the Mental Health Commission, Mental Health Reform published Ethnic Minorities and Mental Health: Guidelines for mental health services and staff on working with people from ethnic minority communities.

Also in December, the organisation held a seminar on advance directives in mental health in order to inform stakeholders about how to update Irish legislation in this regard. Speakers at the seminar included John Oliver (a lawyer from Virginia, USA specialising in advance directives), Prof. Peter Bartlett (UK), Dr. Fiona Morrissey and Dr. Liz Brosnan.

During 2016, the coalition continued to help make visible the public support for reform of mental health services. In January and February, Mental Health Reform concluded the coalition's general election campaign 'Our state of mind'. The final public meeting of the campaign was held in Dublin on 13th January with 130 attendees, and a Tweetathon was held on 14th January which achieved 65,500 impressions and 384 tweets.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance (continued)

This campaign was followed by a national demonstration in April, organised by Mental Health Reform in partnership with the Union of Students in Ireland, to show support for reversing the Government's decision to divert €12M in mental health development funding to other areas of the public health service. The #IamAReason trended on twitter during the demonstration period. Over 400 people attended the demonstration outside Leinster House and many more participated in local events across the country.

On 22nd November, 2016 the 'In Our Hour of Need' campaign was launched by Mental Health Reform in partnership with A Lust for Life, Future Voices and Uplift which consisted of an online petition for 24/7, holistic, community-based mental health services. With support from MHR's member organisations, the campaign achieved 10,000 signatures within five days.

The organisation also continued the 'Homeless Adults Speak Out on Mental Health' project in partnership with Dublin Simon Community. Research into homeless people's experience of accessing mental health supports was completed in 2016 and training in collective advocacy began with clients of Dublin Simon Community.

Mental Health Reform also continued to engage in activity to develop new approaches to mental health support.

During 2016, the organisation continued to provide project management for the Integrating Employment and Mental Health Supports (IEMHS) pilot project which operated across four sites: Bantry, Castlebar, Cavan/Monaghan and Galway. The organisation conducted fidelity evaluations in each of the four sites and facilitated two learning sets.

In June Mental Health Reform began work as Irish partner in the e-mental health innovation and transnational implementation platform North West Europe (eMEN) project. The project consists of five work packages: Management, Product Development, Policy Development, Communications and Long Term plan for sustainability, and a project team of two staff were recruited in 2016 to carry out the eMEN programme.

Planning also took place to conduct a national consultation with people who use mental health services and their families/carers. Two surveys, one for service users and one for family members/carers were developed and piloted. The consultation is due to take place during 2017.

In 2016, Mental Health Reform met with the Minister of State for Mental Health and Older People, the Minister for Social Protection, the HSE National Director for Mental Health, the CEO and Director Standards and Quality Assurance & Director Training and Development of the Mental Health Commission, the Ombudsman and the Ombudsman for Children.

Mental Health Reform also met with TDs and Senators from Fianna Fáil, Labour, People Before Profit Alliance, Sinn Féin, and independent TDs and Senators and continued to provide the secretariat for the Oireachtas Group on Mental Health, informing members of the Oireachtas about unmet needs for mental health support and good practice solutions to these gaps.

In 2016, Mental Health Reform continued to coordinate and chair the Children's Mental Health Coalition. On behalf of the Children's Mental Health Coalition, in January Kate Mitchell attended the UN Committee on the Rights of the Child's review of Ireland in Geneva, Switzerland.

Staff of Mental Health Reform represented the mental health sector on the HSE's Advancing Recovery in Ireland Steering Committee, Service Reform Fund Implementation Group, Disability Stakeholders Group, Housing Strategy for People with Disabilities Sub-Group, Department of Social Protection Consultative Forum and the Comprehensive Employment Strategy Implementation Group. During 2016, Shari McDaid was appointed to the Youth Mental Health Taskforce. Mental Health Reform continued to provide an authoritative voice for improvement in mental health services on national TV, radio and in the print media, providing information and analysis to relevant public discussions.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance (continued)

A number of actions previously proposed by Mental Health Reform were actioned by the Government in 2016, including:

- An additional €15 million in the budget for 2017 for new developments to implement A Vision for Change
- An increase of 103 filled Whole Time Equivalent posts in the mental health services during 2016
- Appointment of the Head of HSE Mental Health Service User and Family Member Engagement
- Recruitment of mental health peer support workers
- Recruitment of area leads for Service User and Family Member Engagement
- Development of the 'Well-being' component in the junior cycle reform framework

In summary, Mental Health Reform's influence on improving mental health services and related social supports in Ireland was sustained during the year, with real impact on the Government's and the HSE's activities on mental health.

Governance

Mental Health Reform is fully compliant with the Governance Code for Community, Voluntary and Charitable Organisations.

The Board of Directors met on seven occasions in each of January, March, May, July, August, September and November. The Finance & Audit Sub-Committee and the Fundraising Committee each met on five occasions, in February, May, July, September and November. The Nominations Committee met in March and August in order to consider nominations for Chairperson and for vacancies on the Board.

The Board approved a policy on supporting individuals to share their stories with the media, and a policy on safeguarding vulnerable adults. The Finance & Audit Committee reviewed the Reserves Policy in February and the Board reviewed the Data Protection Policy in July.

On 28th November, 2016 an Extraordinary General Meeting was held and an updated Constitution in accordance with the Companies Act, 2014 was approved by the membership.

Health and safety of employees

The wellbeing of the Company's employees is safeguarded through strict adherence to health and safety standards. Health and safety legislation imposes certain requirements on employers and the Company has taken the necessary action to ensure compliance with the legislation, including the adoption of a Safety Statement.

Environmental matters

The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are held at the company's registered office at Coleraine House, Coleraine Street, Dublin 7.

Events since the end of the year

There were no events after the balance sheet date which have a material impact on the company's financial statements.

MENTAL HEALTH REFORM
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

Future developments

Under the organisation's Strategic Plan for 2015-2017, the Board has identified that the core activities of the organisation during the period will be to:

- Represent the mental health sector
- Develop unifying positions
- Identify unmet needs for mental health services and related supports
- Develop good practice guidance and pilot innovations
- Disseminate good practice guidance to service users, family members, professionals and policy-makers
- Mobilise support, and
- Hold Government and its agencies to account

MHR's strategic outcomes continued to be:

1. Government ensures high quality community based, primary care and specialist mental health services are available and accessible to everyone in Ireland.
2. The Government and HSE ensure a transformed system for governance and accountability.
3. Government improves the social inclusion of people with mental health difficulties.
4. The espoused values and principles of A Vision for Change exemplified by citizenship, partnership, recovery and respect underpin mental health service delivery in Ireland.
5. Government ensures that children and adolescents have adequate, prompt access to a range of mental health supports to promote their mental wellbeing and address mental health difficulties at an early stage.

The organisation's Strategic Plan, including the Strategic Outcomes will be reviewed in 2017.

Increasing MHR's membership will be a continuing aim of the organisation in 2017. Sustainability of the organisation continues to be a priority.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

**MENTAL HEALTH REFORM
(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016**

Auditors

The auditors, Duignan Carthy O'Neill, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

**Mark Byrne
Director**

**Agnes Higgins
Director**

Date: 26 May 2017

MENTAL HEALTH REFORM
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MENTAL HEALTH REFORM

We have audited the financial statements of Mental Health Reform for the year ended 31 December 2016, set out on pages 11 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, of the assets, liabilities and financial position of the Company as at 31 December 2016 and of its surplus or deficit for the year ended; and
- have been properly prepared in accordance with relevant financial reporting framework and in particular with the requirements of the Companies Act 2014.

Matters on which we are required to report by the Companies Act 2014


- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

MENTAL HEALTH REFORM
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MENTAL HEALTH REFORM (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of our obligations under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.


Timothy F. Carthy
for and on behalf of
Duignan Carthy O'Neill
Chartered Accountants
Registered Auditors
84 Northumberland Road
Ballsbridge
Dublin 4

26 May 2017

MENTAL HEALTH REFORM
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 €	2015 €
Income	4	380,684	310,768
Gross income		380,684	310,768
Administrative expenses		(357,398)	(311,740)
Other operating income	5	596	972
Operating income	6	23,882	-
Surplus for the year		23,882	-
Other comprehensive income:			
Total comprehensive income for the year		23,882	-

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 or 2015 other than those included in the income and expenditure account.

MENTAL HEALTH REFORM
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BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note		2016 €	2015 €
Current assets				
Debtors: amounts falling due within one year	9	164,401	1,431	
Cash at bank and in hand	10	217,049	313,819	
		<u>381,450</u>	<u>315,250</u>	
Creditors: amounts falling due within one year	11	(357,568)	(315,250)	
Net current assets			<u>23,882</u>	-
Total assets less current liabilities			<u>23,882</u>	-
Net assets			<u><u>23,882</u></u>	<u><u>-</u></u>
Capital and reserves				
Income and expenditure account			<u>23,882</u>	-
Members' funds			<u><u>23,882</u></u>	<u><u>-</u></u>

The financial statements were approved and authorised for issue by the board:

Mark Byrne
Director

Agnes Higgins
Director

Date: 26 May 2017

The notes on pages 15 to 21 form part of these financial statements.

MENTAL HEALTH REFORM
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**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Income and expenditure account €	Total funds €
Comprehensive income for the year		
Surplus for the year	23,882	23,882
Total comprehensive income for the year	23,882	23,882
Total transactions with members	-	-
At 31 December 2016	23,882	23,882

**STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2015**

		Total funds €
Total comprehensive income for the year		-
Total transactions with members		-

The notes on pages 15 to 21 form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015
	€	€
Cash flows from operating activities		
Surplus for the financial year	23,882	-
Adjustments for:		
(Increase)/decrease in debtors	(162,970)	20,489
Increase in creditors	42,318	34,036
Net cash generated from operating activities	<u>(96,770)</u>	<u>54,525</u>
Net (decrease)/increase in cash and cash equivalents	<u>(96,770)</u>	<u>54,525</u>
Cash and cash equivalents at beginning of year	313,819	259,294
Cash and cash equivalents at the end of year	<u><u>217,049</u></u>	<u><u>313,819</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>217,049</u>	<u>313,819</u>
	<u><u>217,049</u></u>	<u><u>313,819</u></u>

MENTAL HEALTH REFORM
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. General information

Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Company name

The company received approval under Section 1180(1) of the Companies Act 2014 to omit the word 'Company Limited by Guarantee' from its name.

2.3 Income

The income shown in the income and expenditure account represents grants from funders, donations, payments for research services, deposit interest, training and membership income invoiced during the period. Income not applied or expended in the period is deferred to future accounting periods.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.6 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

MENTAL HEALTH REFORM
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Accounting policies (continued)

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Government grants

Grants are accounted under the performance model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Income and Expenditure Account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Going Concern

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

MENTAL HEALTH REFORM
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

4. Analysis of income

	2016	2015
	€	€
Genio Grant	24,347	61,487
HSE - KPI	3,662	-
Community Foundation for Ireland	85,000	85,000
Donations	9,237	5,872
Fundraising Income	2,873	4,534
Membership	12,996	12,069
eMental Health Project	33,216	-
Training	-	2,291
HSE - Research Officer	46,899	-
Research Income	2,000	5,000
Children's Mental Health Donations	-	10,000
Membership Donations	31,066	28,000
Grant Income	36,295	36,689
Pobal Funding	90,337	91,446
Movement in Deferred Income	2,756	(31,620)
	380,684	310,768
	380,684	310,768

All income arose in Ireland.

5. Other operating income

	2016	2015
	€	€
Interest received on bank deposits	596	972
	596	972
	596	972

6. Surplus on ordinary activities before taxation

The surplus/(deficit) on ordinary activities before taxation is stated after charging:

	2016	2015
	€	€
Defined contribution pension cost	6,540	8,716
	6,540	8,716
	6,540	8,716

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7. Employees

Staff costs were as follows:

	2016	2015
	€	€
Wages and salaries	213,444	172,167
PAYE / PRSI	22,522	18,341
Cost of defined contribution scheme	6,540	8,716
	242,506	199,224
	242,506	199,224

Capitalised employee costs during the year amounted to €NIL (2015 -€NIL).

The average monthly number of employees, including the Executive Director, during the year was as follows:

	2016	2015
	No.	No.
Employees	5	4
	5	4
	5	4

8. Taxation

No charge to taxation arises as the company has been granted exemption under Section 207 and 208 of the Taxes Consolidation Act, 1997

9. Debtors

	2016	2015
	€	€
Other debtors	4,792	1,431
Prepayments and accrued income	159,609	-
	164,401	1,431
	164,401	1,431

10. Cash and cash equivalents

	2016	2015
	€	€
Cash at bank and in hand	217,049	313,819
	217,049	313,819
	217,049	313,819

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11. Creditors: Amounts falling due within one year

	2016	2015
	€	€
Trade creditors	5,860	301
PAYE / PRSI	10,960	4,817
Accruals	7,168	10,576
Deferred income	333,580	299,556
	357,568	315,250
	357,568	315,250

12. Deferred income

	2016	2015
	€	€
One Foundation	178,599	178,599
Genio	21,274	25,620
Lottery	55,350	10,000
Community Foundation	-	85,000
Pobal	337	337
American Ireland Fund	6,000	-
IHREC	2,240	-
HSE Research Officer	33,101	-
HSE KPI	12,338	-
HSE eMen	24,341	-
	333,580	299,556
	333,580	299,556

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NOTES TO THE FINANCIAL STATEMENTS
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13. Financial instruments

	2016	2015
	€	€
Financial assets		
Financial assets measured at fair value through income or expenditure	217,049	313,819
Financial assets that are debt instruments measured at amortised cost	164,401	1,431
	381,450	315,250
	381,450	315,250
Financial liabilities		
Financial liabilities measured at amortised cost	(332,516)	(310,433)
	(332,516)	(310,433)
	(332,516)	(310,433)

Financial assets measured at fair value through income or expenditure comprises of cash in bank.

Financial assets measured at amortised cost comprise of other debtors, prepayments and accrued income.

Financial Liabilities measured at amortised cost comprise of trade creditors, accruals, and deferred income.

14. Company status

The company is limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding €1 towards the assets of the company in the event of liquidation.

15. Contingent liabilities

As outlined in Note 1, the company has received government grants towards the purchase of tangible fixed assets and for revenue purposes. Should these assets not be used for the purpose specified, the grants will become repayable in whole or in part.

16. Pension commitments

The company operates a defined contribution pension scheme for all employees. The assets of the scheme are held separately to the assets of the company. Contributions to the scheme are charged to the Income and Expenditure account as they become payable.

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17. Pobal grant

During the financial year, Mental Health Reform (MHR) received a grant from the Department of the Environment, Community and Local Government, dispensed by Pobal, for the period from 1st July 2014 to 30th June 2016. The grant is for the Scheme to Support National Organisations (SSNO).

The total monies that will be awarded in respect of the grant are €171,456 of which €90,337 was in respect of the current year. The grant has been awarded and restricted to assist with staffing and core overhead costs and is not capital in nature. No capital grant was received from Pobal during the year or from any other source.

The grant was used by MHR in accordance with the signed agreement between Pobal and themselves, dated 29th October 2014.

MHR have obtained an up to date Tax Clearance Certificate as in compliance with the relevant Circulars, including Circular 44/2006.

	2016	2015
	€	€
Opening balance	337	-
Amount received	90,337	91,446
Expenditure incurred	(90,337)	(91,109)
Deferred	337	337

18. Related party transactions

Key Management Personnel Remuneration

The total management remuneration for the senior management team was €64,877. No director received remuneration from the company during the year.

19. Post balance sheet events

There have been no significant events affecting the company since the year-end.

20. Controlling party

The company is controlled by its members. It is the members responsibility to elect management to look after the affairs of the company.

21. Approval of financial statements

The board of directors approved these financial statements for issue on 26 May 2017