

**Charity number: 1139916 in England & Wales  
SC046075 in Scotland**

**Company number: 07406055**

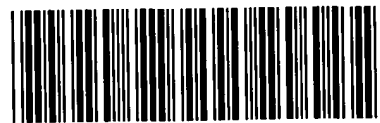
**MQ: Transforming Mental Health**

**(A company limited by guarantee)**

**Trustees' report and audited financial statements**

**for the year ended 31 December 2015**

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**MQ: Transforming Mental Health**  
**(A company limited by guarantee)**

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**MQ: Transforming Mental Health**  
**(A company limited by guarantee)**

**Members of the Board and Professional Advisers**

<b>Registered charity name</b>	MQ: Transforming Mental Health
<b>Charity number</b>	1139916 in England & Wales SC046075 in Scotland
<b>Company registration number</b>	07406055
<b>Principal office</b>	4th Floor West 1-5 Clerkenwell Road London EC1M 5PA
<b>Registered office</b>	4th Floor West 1-5 Clerkenwell Road London EC1M 5PA
<b>Trustees</b>	P Campbell S Caddick C Fairburn E Holmes S Horan R Morris E Walker-Arnott M Wilson
<b>Chief executive</b>	C Joyce
<b>Auditor</b>	BG Partnership Chartered Certified Accountants & Statutory Auditor 1st Floor 23 Princes Street London W1B 2LX
<b>Bankers</b>	Adam & Company Plc 25 St Andrews Square Edinburgh EH2 1AF  Barclays Bank Plc 1 Churchill Place London E14 5HP

**MQ: Transforming Mental Health**  
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**Report of the Trustees' (incorporating the directors' report)**  
**for the year ended 31 December 2015**

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2015.

**Reference and administrative details**

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

**The trustees**

The trustees who served the charity during the period were as follows:

P Campbell	
S Caddick	
C Fairburn	
R Morris	
E Walker-Arnott	
M Wilson	
E Holmes	(Appointed 27 April 2015)
S Horan	(Appointed 30 September 2015)
D Stevenson	(Retired 18 May 2015)

**Structure, governance and management**

***Governing document***

The organisation is a charitable company limited by guarantee. The company is established under its Articles of Association. The members have agreed to contribute a maximum of £1 each in the event of the company being wound up. The Articles of Association were updated in 2015 to reflect current best practice.

***Recruitment and appointment of trustees***

The Trustees hold a wide range of skills and experience essential to development and good governance of the charity. They meet 5 times per year. There is also an audit subcommittee of the board, which assists the Board of Trustees in fulfilling its oversight responsibilities relating to the quality and integrity of MQ's financial reporting processes and accounting practices and the adequacy and effectiveness of its systems of internal controls

Current trustees can appoint a new member to the charity by ordinary resolution of a simple majority. The maximum number of trustees of the charity is limited to fifteen. In recruiting new trustees the current full board fulfils the role of a nomination committee. Trustees are appointed for a three-year period; no trustee can serve more than 2 consecutive three-year periods.

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**Report of the Trustees' (incorporating the directors' report)**  
**for the year ended 31 December 2015**

***Management***

The trustees delegate day to day running of the charity to the staff, lead by the Chief Executive, Cynthia Joyce via a scheme of delegation with specified matters reserved for decisions of trustees..

***Risk management***

The Board has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

***Public benefit statement***

The trustees believe that they have complied with their duty under the Charities Act 2011. In the long term the charity's activities benefit the public by funding scientists and clinical investigators to carry out research into mental health as referred to in the objects set out in the next section.

**Objectives and activities**

***Aim***

The charity's aim through its activities is to reduce suffering and/or burden due to mental illness through supporting advances in scientific research. MQ's vision is to create a world where:

- Mental health is as valued as physical health
- Mental illness is understood, diagnosed and treated like any other disorder
- Research to improve the diagnosis, treatment and prevention of mental illness is a global priority

***Objects***

The organisation's objects contained in the company's Articles of Association are to:

1. To protect, preserve, foster, promote and advance all or any aspects of the mental health and welfare of humankind and to advance and promote knowledge and education by engaging in, encouraging, funding and otherwise supporting:

(a) scientific research or other research into the nature, causes, diagnosis, prevention, treatment and cure of all forms of mental illness; and

(b) the discovery, invention, improvement, development and application of treatments, cures, diagnostics and other medicinal agents, methods and processes that may in any way relieve illness, disease, disability or disorders of whatever nature in human beings that is or may be caused, in whole or in part, by any and all forms of mental illness;

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**for the year ended 31 December 2015**

2. To advance and promote knowledge, public understanding, public engagement and education by engaging in, encouraging and supporting:

(a) the study and understanding of mental illness and mental health and welfare.

(b) research into the history of mental illness and mental health and welfare. In each case with the intention of producing results that add or may add to scientific knowledge

**Achievements and performance**

MQ's objectives for 2015 were to:

1. Develop and implement fundraising and supporter engagement strategies and grow the financial base of support for the charity.
2. Build a diversified research portfolio that includes the MQ Fellows Award and PsyIMPACT programmes as well as new initiatives.
3. Build mental health research advocacy and intelligence capabilities.
4. Build our communication and advocacy capabilities.
5. Support the growth and development of the MQ staff team.

We are pleased to report that the charity achieved its major objectives for the year within budget and timelines. Notable achievements include:

***Engaging supporters and building our financial base of support.***

In 2015, our infrastructure-building efforts began to deliver results. Initial fundraising and communications efforts by our dedicated team engaged over 10,000 supporters for the work of the charity and increased donations by over 200%. Importantly, our supporters gave us a strong signal that we are moving in the right direction: there is a real appetite amongst members of the public to learn more about how research can help improve mental health outcomes in the UK.

We began laying plans to broaden and deepen our outreach to the public with a national campaign set to launch in late 2016. The opportunity to marshal public support and investment in mental health has never been attempted at this scale before, so our challenge is clear.

***Expanding our research and communications platforms***

MQ has now committed to provide nearly £3 million in grants to 15 researchers working in major mental health research centres in the UK, US and Australia. Our research spend reflects our commitment to:

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**Report of the Trustees' (incorporating the directors' report)**  
**for the year ended 31 December 2015**

a.) **Improve current treatments:** our "PsyIMPACT" programme funding is focused on improving psychological treatments and providing benefits to patients and families in the near term. Our grants support work to improve treatments for anxiety, depression and ADHD and for the development of tools to optimise treatment selection.

b.) **Promote research leadership:** the MQ Fellows Award supports eleven early career investigators working on a diverse set of projects that will ultimately help improve mental health care. Our MQ Fellows are a talented and insightful group of young researchers representing many disciplines and several countries.

c.) **Build mental health intelligence and advocacy:** in 2015, MQ published the first in-depth analysis of mental health research funding in the UK. The findings of our 2015 Research Funding Landscape report have been cited around the world for highlighting the need for more investment in research - and a distinct lack of charitable funding.

d.) **Convening researchers, patients and carers to talk about mental health:** In 2015, MQ supported meetings to:

- Explore ways that "Big Data" could help improve mental health research and care. This Mental Health Data Science initiative has taken on a life of its own as standing group working to develop research ideas in this field.
- Identify research priorities for Bipolar Disorder - MQ brought together over 60 leading international researchers and funders to discuss bold ideas for advancing diagnosis and treatment of bipolar disorder. "
- Identify research priorities for depression - MQ completed its James Lind Alliance project to learn directly from patients and carers in setting research priorities. The "Top Ten" list of research priorities was presented in January 2016.
- Explore ways to make a meaningful contribution to improving the mental health of young people. As a result of our meetings on this topic, MQ is preparing a new research programme focused on preventing mental illness in adolescents.
- Creating a community of mental health scientists in the UK: the inaugural MQ Annual Science Meeting was a landmark event in the UK, a first of its kind multidisciplinary meeting of researchers dedicated to solving mental health problems.

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**for the year ended 31 December 2015**

***Growing our team to support our objectives***

Our excellent MQ staff team grew to 15 strong during the calendar year. We were fortunate to recruit Sophie Dix, PhD as our new Research Director and Timothy Drew as our Finance Director, thereby completing our leadership team and setting the stage for even more achievements. Other new hires rounded out our areas of operation and functions critical to supporting our objectives in 2016. Further details of our achievements can be seen in our Annual Review available on our website or from our office.

**Financial review**

The reserves figure at 31 December 2015 of £2,352,513 was lower than that required by our reserves policy. The Trustees decided that this was due to the timing of the draw down of a major grant and so made no changes to their financial plans. At the time of signing the accounts, this situation has been rectified and reserves are once again above the figure required in the reserves policy.

All of our costs rose significantly in 2015. This is in line with our long-term plans outlined in this report.

***Reserves policy***

The charity's policy on reserves is to maintain reserves such that:

1. The maximum amount of any grant committed or pledged can be met at any point in time, and
2. The budgeted operating and fund generation function costs of the charity can be covered for the next 12 months at any point in time.

**Plans for future periods**

Thanks to generous founding support from the Wellcome Trust and our friends at the Institute of Social Psychiatry, MQ has been afforded an amazing opportunity to grow public support whilst we are investing in research that has the potential to change the world of mental healthcare.

In 2016, we aim to:

- Deliver an integrated fundraising and awareness campaign to reach millions in the UK
- Continue support and development of our research activities
- Continue efforts to improve our infrastructure and establish a firm financial footing for the charity.



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**Report of the Trustees' (incorporating the directors' report)**  
**for the year ended 31 December 2015**

**Trustee changes**

We are enormously grateful to our founding chairman, Lord Dennis Stevenson, who stepped down from the Board after devoting more than seven years to developing the vision of the charity and making the charity a reality. Our new chairman, Sir Philip Campbell assumed the leadership of the charity in May 2015 and was a driver in recruiting new trustees, Professor Emily Holmes and Shaun Horan to the Board.

**Trustees' responsibilities statement**

The trustees (who are also the directors of MQ: Transforming Mental Health for the purposes of company law) 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. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity at the balance sheet date and the income and expenditure of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and accounting 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 charity will continue in operation.

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

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**Report of the Trustees' (incorporating the directors' report)  
for the year ended 31 December 2015**

**Auditors**

BG Partnership are deemed to be re-appointed under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 487(2) of the Companies Act 2006.

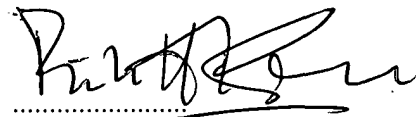
Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that he ought to have taken as a trustee to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed on behalf of the trustees



**Philip Campbell**

**Trustee/Chairman**

20/1/2016

**MQ: Transforming Mental Health**  
**(A company limited by guarantee)**

**Independent auditor's report to the trustees and members of MQ: Transforming Mental Health**  
**for the year ended 31 December 2015**

We have audited the financial statements of MQ: Transforming Mental Health for the year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees and 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. 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 state of the charitable company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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**Independent auditor's report to the trustees and members of MQ: Transforming Mental Health**  
**for the year ended 31 December 2015** *(continued)*


**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



21<sup>ST</sup> APRIL 2016

**Simon Mark Bristow (Senior Statutory Auditor)**  
**For and on behalf of BG Partnership**  
**Chartered Certified Accountants & Statutory Auditor**

**1st Floor**  
**23 Princes Street**  
**London**  
**W1B 2LX**

BG Partnership is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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**Statement of financial activities (incorporating the income and expenditure account)**  
**Year ended 31 December 2015**

		<b>Unrestricted Total Funds 2015</b>	<b>Unrestricted Total Funds 2014</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Income and endowments</b>			
Donations and legacies	2	222,747	76,208
Investment income	3	12,150	23,952
<b>Total income</b>		<u>234,897</u>	<u>100,160</u>
<b>Expenditure</b>			
Expenditure on raising funds:			
Costs of raising donations and legacies		(730,104)	(225,899)
Expenditure on charitable activities	4	(1,392,856)	(775,447)
<b>Total expenditure</b>		<u>(2,122,960)</u>	<u>(1,001,346)</u>
<b>Net expenditure and net movement in funds for the year</b>	7	(1,888,063)	(901,186)
<b>Reconciliation of funds</b>			
Total funds brought forward		4,240,576	5,141,762
<b>Total funds carried forward</b>		<u>2,352,513</u>	<u>4,240,576</u>

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

All of the above amounts relate to continuing activities.

The notes on pages 13 to 21 form part of these financial statements.

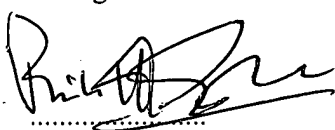
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**Balance Sheet**  
**as at 31 December 2015**

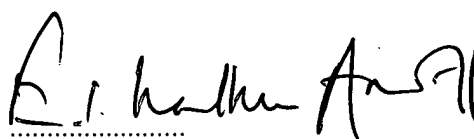
	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	9	19,940	26,408
<b>Current assets</b>			
Debtors	10	20,741	18,567
Cash at bank and in hand		<u>2,569,286</u>	<u>4,284,620</u>
		<u>2,590,027</u>	<u>4,303,187</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(257,454)</u>	<u>(89,019)</u>
<b>Net current assets</b>		<u>2,332,573</u>	<u>4,214,168</u>
<b>Total assets less current liabilities</b>		<u>2,352,513</u>	<u>4,240,576</u>
<b>Net assets</b>		<u>2,352,513</u>	<u>4,240,576</u>
<b>Funds of the charity</b>			
Unrestricted income funds	16	<u>2,352,513</u>	<u>4,240,576</u>
<b>Total charity funds</b>		<u>2,352,513</u>	<u>4,240,576</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the board and authorised for issue on 20 April 2016 and are signed on their behalf by:



**Philip Campbell**  
**Trustee**



**Edward Walker-Arnott**  
**Trustee**

Company Registration Number: 07406055

The notes on pages 13 to 21 form part of these financial statements.

**MQ: Transforming Mental Health**  
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**Notes to the financial statements**  
**Year ended 31 December 2015**

**1. Accounting policies**

**1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) (SORP 2015).

**1.2 Incoming resources**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

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**Notes to the financial statements**  
**Year ended 31 December 2015**

**1. Accounting policies** *(continued)*

**1.3 Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income.

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

Research grant awards are recognised as expenditure in the year in which the award is formally committed by the charity and has been agreed in writing with the recipient, except to the extent that it is subject to conditions that enable the charity to revoke the award.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Governance costs comprise those costs necessary to manage and administer the charity and which cannot be directly attributable to a particular activity.

**1.4 Fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

**1.5 Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment	-	33% straight-line
Fixtures & Fittings	-	20% straight-line
Leasehold Property	-	Straight-line over lease

**1.6 Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.



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**Notes to the financial statements**  
**Year ended 31 December 2015**

**1. Accounting policies** *(continued)*

**1.7 Pension costs**

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

**1.8 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the statement of financial activities.

**2. Donations and legacies – unrestricted funds**

	<b>Total Funds</b> <b>2015</b> <b>£</b>	<b>Total Funds</b> <b>2014</b> <b>£</b>
<b>Donations</b>		
Donations - Individual Givings	<b>40,500</b>	31,978
Donations - Major Givings	<b>32,500</b>	29,999
Donations - Organisation Givings	<b>129,747</b>	14,231
<b>Legacies</b>		
Legacies	<b>20,000</b>	—
	<b><u>222,747</u></b>	<b><u>76,208</u></b>

Under the Wellcome Trust's Grant Letter of 16th January 2012, the company drew down £5m in April 2012. The company can in due course (and subject to compliance with the requirements set out in the grant letter), drawdown, in aggregate, a further £16.7m (2014: £16.4m), of which £5.8m was drawn down after the balance sheet date.

Designated funds of £11,176 were received in 2015 in honour of the life of Nick Wilkes, a young man who lost his life to bipolar disorder.

**3. Investment income- – unrestricted funds**

	<b>Total Funds</b> <b>2015</b> <b>£</b>	<b>Total Funds</b> <b>2014</b> <b>£</b>
Bank interest receivable	<b><u>12,150</u></b>	<b><u>23,952</u></b>

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**Notes to the financial statements**  
**Year ended 31 December 2015**

**4. Costs of charitable activities – unrestricted funds**

	Activities undertaken directly £	Grant funding activities £	Support and governance costs £	Total Funds 2015 £	Total Funds 2014 £
Research Programme costs	280,021	677,434	435,401	1,392,856	775,447
	<u>280,021</u>	<u>677,434</u>	<u>435,401</u>	<u>1,392,856</u>	<u>775,447</u>

Direct research funding in 2015 was made under the auspices of the MQ Fellows Award or the PsyIMPACT programmes.

Research grants are made in the form of a Sponsored Research Agreement (SRA) with the host institution in accordance with MQ's funding policies published on our website at <http://www.joinmq.org/>

Funding is contingent on satisfaction of stringent application and oversight requirements including advisory committee review and submission of regular research and financial reports. The charity reserves the right to visit research sites and conduct an audit of research expenses on a case-by-case basis.

Research programme support costs include allocated staff effort, meeting, travel and lodging costs.

The material institutional grants awarded during the year are summarised below:

	Total £
University of New South Wales	54,982
University of Pittsburgh	67,217
Massachusetts General Hospital	67,217
University of Oxford	38,281
Birkbeck College London	149,236
Kings College London	124,690
University of Pennsylvania	40,811
University Medical Centre Utrecht	45,000
Makerere University	90,000
	<u>677,434</u>

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**Notes to the financial statements**  
**Year ended 31 December 2015**

**5. Analysis of support and governance costs – unrestricted funds**

	Support costs £	Governance function £	Total £
Staff costs	640,267	38,999	679,266
Office costs	111,236	–	111,236
Statutory audit	–	9,000	9,000
Accountancy and Consultancy	–	29,072	29,072
Bank charges & exchange (gains)	–	(1,328)	(1,328)
Meetings	–	620	620
Legal fees	1,941	–	1,941
<b>Total</b>	<b>753,444</b>	<b>76,363</b>	<b>829,807</b>

Costs were allocated as follows:

Expenditure on raising funds	337,134	57,272	394,406
Expenditure on charitable activities	416,310	19,091	435,401
<b>Total</b>	<b>753,444</b>	<b>76,363</b>	<b>829,807</b>

Staff costs are allocated on the basis of hours spent on activities.

Office costs are allocated on usage by staff.

Travel, meetings and professional and marketing costs are allocated on an 'as incurred' basis.

**6. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

**7. Net outgoing resources for the year**

This is stated after charging:

	2015 £	2014 £
Staff pension contributions	41,850	39,448
Depreciation	19,276	14,751
Auditors' remuneration	9,000	8,000
Auditor's remuneration from non-audit work	3,712	1,816

And after crediting:

Profit on foreign exchange	<u>2,722</u>	<u>16,626</u>
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**Notes to the financial statements**  
**Year ended 31 December 2015**

**8. Staff costs and emoluments**

**Total staff costs were as follows:**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>548,744</b>	345,659
Social security costs	<b>62,127</b>	35,948
Other pension costs	<b>41,850</b>	39,448
	<b><u>652,721</u></b>	<u>421,055</u>

**Particulars of employees:**

The average monthly number of employees and trustees/directors during the year, was as follows:

	<b>2015</b>	<b>2014</b>
	<b>No</b>	<b>No</b>
Trustees/Directors	<b>8</b>	7
Staff	<b><u>15</u></b>	<u>6</u>
	<b><u>23</u></b>	<u>13</u>

The number of employees who earned more than £60,000 during the year was as follows:

	<b>2015</b>	<b>2014</b>
	<b>No</b>	<b>No</b>
£90,001 to £100,000	<b>1</b>	-
£130,001 to £140,000	<b>1</b>	1

The number of higher paid employees accruing pension benefit was:

	<b>2015</b>	<b>2014</b>
	<b>No</b>	<b>No</b>
Defined contribution scheme	<b><u>2</u></b>	<u>1</u>

The total contributions paid by the charity into the defined contribution scheme for higher paid employees were £34,232 (2014: £32,400).

**Trustees' emoluments:**

None of the trustees were remunerated for their services during the period (2014: £nil).

However two of the Trustees were reimbursed a total of £610 (2014: £1,605) for meeting & travel costs.

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**9. Tangible fixed assets**

	<b>Office Equipment £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Leasehold Property £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2015	20,799	13,735	20,967	55,501
Additions	12,807	–	–	12,807
<b>At 31 December 2015</b>	<u>33,606</u>	<u>13,735</u>	<u>20,967</u>	<u>68,308</u>
<b>Depreciation</b>				
At 1 January 2015	11,856	7,267	9,970	29,093
Charge for the year	7,708	4,579	6,988	19,275
<b>At 31 December 2015</b>	<u>19,564</u>	<u>11,846</u>	<u>16,958</u>	<u>48,368</u>
<b>Net book value</b>				
<b>At 31 December 2015</b>	<u>14,042</u>	<u>1,889</u>	<u>4,009</u>	<u>19,940</u>
At 31 December 2014	<u>8,943</u>	<u>6,468</u>	<u>10,997</u>	<u>26,408</u>

**10. Debtors**

	<b>2015 £</b>	<b>2014 £</b>
Trade debtors	–	1,370
Other debtors	13,093	11,497
Prepayments	7,648	5,700
	<u>20,741</u>	<u>18,567</u>

Included in other debtors is £10,000 (2014: £10,000) in respect of a rent deposit paid for a commercial property. It is repayable at the end of the lease term.

Amounts falling due after more than one year and included in debtors are:

	<b>2015 £</b>	<b>2014 £</b>
Other debtors	<u>10,000</u>	<u>10,000</u>

**11. Creditors: Amounts falling due within one year**

	<b>2015 £</b>	<b>2014 £</b>
Trade creditors	217,548	67,271
PAYE and social security	26,315	14,629
Other creditors	13,591	7,119
	<u>257,454</u>	<u>89,019</u>

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**Notes to the financial statements**  
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**12. Commitments under operating leases**

At 31 December 2015 the charity had annual commitments under non-cancellable operating leases as set out below.

	<b>Land and buildings</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>Operating leases which expire:</b>		
Within 2 to 5 years	<u><b>20,000</b></u>	<u><b>20,000</b></u>

**13. Grant commitments (not recognised in the accounts)**

At the balance sheet date the charity had committed to future expenditure amounting to £2,388,083 (2014: £1,207,459) in relation to its Fellows and PsyIMPACT Programmes. The movements on these commitments are as below:

	<b>2015</b>
	<b>£</b>
Balance at 1st January 2015	1,207,459
Movements in the year:	
New grants	1,845,811
Awards paid	(677,433)
Foreign exchange adjustments	12,246
Balance at 31st December 2015	<u><b>2,388,083</b></u>

These commitments are expected to be payable as follows:

In one year	861,715
In two years	960,498
In three years	520,870
In four years	45,000
	<u><b>2,388,083</b></u>

Additionally, the charity has agreed to join the International Alliance of Mental Health Research Funders as funding partner with a commitment to provide £19,420 over the next two years.

**14. Controlling interest**

The charity has no overall controlling party.

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**Notes to the financial statements**  
**Year ended 31 December 2015**

**15. Analysis of net assets between funds**

Fund balances at 31 December 2015 as represented by:

	<b>General unrestricted funds £</b>	<b>Designated funds £</b>	<b>Total Funds 2015 £</b>
Tangible fixed assets	19,940	-	19,940
Current assets	2,561,932	28,095	2,590,027
Current liabilities	(257,454)	-	(257,454)
	<u>2,324,418</u>	<u>28,095</u>	<u>2,352,513</u>

**16. Unrestricted income funds**

	<b>At 1 January 2015 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>At 31st December 2015 £</b>
General fund	4,223,657	223,721	(2,122,960)	2,324,418
Nick Wilkes Fund (see Note 2)	16,919	11,176	-	28,095
	<u>4,240,576</u>	<u>234,897</u>	<u>(2,122,960)</u>	<u>2,352,513</u>

**Purposes of unrestricted funds**

The purpose of the unrestricted fund is for general charitable purposes that comply with the charity's objectives as set out in the Trustees' Report.

**17. Related party transactions**

There were no related party transactions during the year.

**18. Company limited by guarantee**

MQ: Transforming Mental Health is a company limited by guarantee and accordingly does not have called up share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.