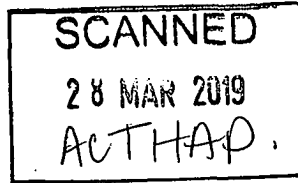
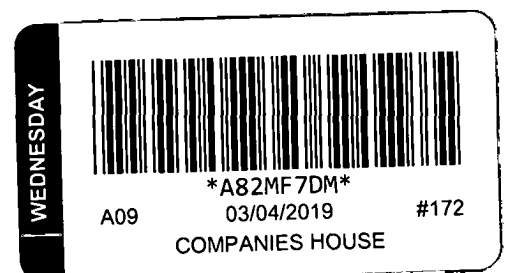


Charity Registration No. 1175160



Company Registration No. 10722435 (England and Wales)

ACTION FOR HAPPINESS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



ACTION FOR HAPPINESS

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|--|
| Trustees | Ms V A King Professor P R G Layard Sir Anthony Seldon Mr G J Mulgan |
| Secretary | Mr M Williamson |
| Charity number | 1175160 |
| Company number | 10722435 |
| Registered office | WeWork 3 Waterhouse Square 138 Holborn London EC1N 2SW |
| Independent examiner | DSG Castle Chambers 43 Castle Street Liverpool L2 9TL |

ACTION FOR HAPPINESS

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| Statement of financial activities | 6 |
| Balance sheet | 7 |
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ACTION FOR HAPPINESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and financial statements for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016)

ACTION FOR HAPPINESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Objectives and activities

Action for Happiness is a charity which promotes mental health and wellbeing through the provision of information, evidence-based resources, public events, educational services, training and community activities. The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Our vision is a happier and kinder society, with far fewer people suffering due to mental ill health or social isolation and far more people feeling good, functioning well and helping others. We are backed by leading experts and all of our activities are grounded in the latest scientific research.

IMPORTANT - Please note: The Action for Happiness project was launched in 2011, based within The Young Foundation, an established charity (274345) with a track record of incubating new ventures. In 2017 Action for Happiness was established as an independent Company Limited by Guarantee (10722435) and registered charity (1175160) and on 31 December 2017 all assets, liabilities and Intellectual Property pertaining to the project were transferred from The Young Foundation to the new entity. This 2018 financial year represents the first full year of independent operation of the new entity, so comparisons with the equivalent financial data from 2017 will not necessarily be meaningful.

Achievements and performance

Below is a summary of the key Action for Happiness achievements in 2018:

- We publicly launched the new Action for Happiness charity and successfully completed our first full year of operation as an independent entity.
- We published a new Action for Happiness book for children called '50 Ways to Feel Happy'.
- We created and shared monthly action calendars that have now been viewed and downloaded by over 2.5 million people.
- We continued the widespread roll-out of our 8-week, volunteer-led community course (Exploring What Matters), with courses having now been run in over 250 different locations to date with a total of over 5,000 attendees.
- We launched new materials and guidance to support monthly 'Get-Togethers' in local communities and integrated these with our courses, to help groups continue to meet after their course has finished.
- We held 14 major public events with 5,000 attendees. Speakers included Dr Rangan Chatterjee, Matthieu Ricard, Jo Marchant, Satish Kumar, Rachel Kelly, Professor Russell Foster, Andy Puddicombe, Mo Gawdat and Helen Russell.
- We grew our online/social media community to over 1.1 million followers. We also added 22,000 more AfH members, taking the total to over 128,000 people.
- We ran a successful campaign to support the UN International Day of Happiness (20 March), with over 200,000 people engaging online.
- We reached a total of 10.8 million website visitors to date at www.actionforhappiness.org
- We developed a new Action for Happiness smartphone app and shared this with a pilot group of users, ahead of a full public launch planned in 2019.
- We provided support to a network of Happy Cafes now in over 100 community locations.
- We delivered training, talks and workshops for over 20 organisations and spoke about Action for Happiness at many tens of conferences in the UK and around the world.
- We continued to support primary schools with our 'Keys to Happier Living' Toolkit which has now been used in over 150 schools.
- We responded to over 100,000 emails from the Action for Happiness community during the year (an average of around 9,000 a month or 2,000 a week).

ACTION FOR HAPPINESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

Financial review

The principle sources of income to Action for Happiness during 2018 were:

- Donations made by people attending our events and courses
- Donations to the charity from our 'Supporters Circle' group
- Income from Educational Services provided to organisations and schools
- Grant funding from AIM Foundation and Segelman Trust

Action for Happiness has a Reserves Policy to maintain at least 6 months of operating costs in reserves. The cash reserves on the Balance Sheet at the end of 2018 are in line with this policy and will be used to fulfil the organisation's charitable objects in 2019 and beyond.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future plans

Our plans for 2019 include:

- Scaling-up our community courses to reach many hundreds of new locations
- Publishing the results of a full independent, academic-led, Randomised Controlled Trial to evaluate the impact of our community courses
- Supporting on-going local engagement via our new monthly 'Get-Togethers'
- Launching our new Action for Happiness smartphone app
- Continuing our programme of live events with influential, high profile speakers
- Continuing to provide education, resources and training for organisations and schools
- Generating more media engagement on key themes and policy areas relating to wellbeing
- Continuing to grow the overall scale and reach of our movement

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 12 April 2017 in England and Wales, and registered with the Charity Commission from 16 October 2017. The charity is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Ms V A King

Professor P R G Layard

Sir Anthony Seldon

Mr G J Mulgan

Dame J T Mellor

(Appointed 21 March 2018 and resigned 31 December 2018)

ACTION FOR HAPPINESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

The Board of Trustees has overall responsibility for the fulfilling the charity's aims.

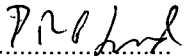
The recruitment and appointment of Trustees was based on ensuring an appropriate balance of expertise, skills and commitment to the mission of the charity. The majority of appointed Trustees had either been co-founders of the original Action for Happiness or long-standing members of its Advisory Board.

The Board of Trustees also anticipates appointing one or more additional Trustees during the next 1-2 years to bring in additional skills and expertise as required.

Day to day management of the operation of the charity is delegated from the Board to the Chief Executive (Mark Williamson). The Board of Trustees meets at least once per quarter and the Chief Executive reports regularly to the Trustees on the operations, plans and financial position of the organisation, as appropriate.

Action for Happiness is supported by a range of contractors and volunteers to fulfil its mission. Contractors are recruited on a fixed term basis with the skills required to fulfil specific needs. All volunteers are carefully screened and supported in fulfilling their roles, for example in running courses in their local communities.

The trustees' report was approved by the Board of Trustees.



Professor P R G Layard

Trustee

Dated: 26/3/19

ACTION FOR HAPPINESS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ACTION FOR HAPPINESS

I report to the trustees on my examination of the financial statements of Action for Happiness (the charity) for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

DSG

DSG Chartered Accountants

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: *26/3/19*

ACTION FOR HAPPINESS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

| | | Unrestricted funds 2018 £ | Total 2017 £ |
|---|-------|------------------------------------|--------------------|
| | Notes | | |
| <u>Income and endowments from:</u> | | | |
| Donations | 3 | 170,662 | 181,660 |
| Charitable activities - income | 4 | 194,493 | 82,053 |
| Other income | 5 | 635 | 43 |
| Total income | | 365,790 | 263,756 |
| <u>Expenditure on:</u> | | | |
| Charitable activities - expenditure * | 6 | 351,119 | 2,268 |
| Net income for the year/ Net movement in funds | | 14,671 | 261,488 |
| Fund balances at 1 January 2018 | | 261,488 | - |
| Fund balances at 31 December 2018 | | 276,159 | 261,488 |

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

All income and expenditure derive from continuing activities.

* - The comparative full in-year expenditure relating to the previous year's (2017) charitable activities of Action for Happiness was £345,027. However these costs were incurred within the parent charity The Young Foundation (YF) and therefore appeared in the YF financial statements for 2017 rather than here. This 2018 financial year represents the first full year of independent operation of the new entity, so comparisons with the equivalent financial data from 2017 will not necessarily be meaningful.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ACTION FOR HAPPINESS

BALANCE SHEET

AS AT 31 DECEMBER 2018

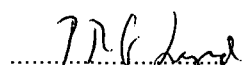
| | Notes | 2018 £ | £ | 2017 £ | £ |
|---|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Investments | 10 | | 1 | | - |
| Current assets | | | | | |
| Debtors | 12 | 10,789 | | 87,132 | |
| Cash at bank and in hand | | 277,824 | | 175,556 | |
| | | <u>288,613</u> | | <u>262,688</u> | |
| Creditors: amounts falling due within one year | 13 | (12,455) | | (1,200) | |
| Net current assets | | | 276,158 | | 261,488 |
| Total assets less current liabilities | | | <u>276,159</u> | | <u>261,488</u> |
| Income funds | | | | | |
| Unrestricted funds | | | 276,159 | | 261,488 |
| | | | <u>276,159</u> | | <u>261,488</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26/3/19.


 Professor P R G Layard
 Trustee

Company Registration No. 10722435

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

Action for Happiness is a private company limited by guarantee incorporated in England and Wales. The registered office is WeWork 3 Waterhouse Square, 138 Holborn, London, EC1N 2SW.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, once there is a legal or constructive obligation to make a payment.

Charitable activities include the cost of providing courses and hosting events, and include both direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to charitable activities.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

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

1.11 Irrecoverable VAT

The charity is not required to register with HMRC for VAT. All resources expended are recognised gross of VAT.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

3 Donations

| | 2018 | 2017 |
|--|----------------|----------------|
| | £ | £ |
| Donations and gifts | 145,662 | 171,660 |
| Grants receivable | 25,000 | 10,000 |
| | <u>170,662</u> | <u>181,660</u> |
| Donations and gifts | | |
| The Young Foundation | - | 87,132 |
| Neom Ltd | 5,000 | 5,000 |
| Supporters Circle | 102,793 | 78,593 |
| Gift Aid Claims | 6,814 | - |
| Other | 31,055 | 935 |
| | <u>145,662</u> | <u>171,660</u> |
| Grants receivable for core activities | | |
| The Segelman Trust | 10,000 | 10,000 |
| AIM Foundation | 15,000 | - |
| | <u>25,000</u> | <u>10,000</u> |

4 Charitable activities - income

| | 2018 | 2017 |
|----------------------|----------------|---------------|
| | £ | £ |
| Event income | 64,741 | 71,708 |
| Course income | 64,533 | 10,345 |
| Educational services | 65,219 | - |
| | <u>194,493</u> | <u>82,053</u> |

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5 Other income

| | Unrestricted funds | Total |
|--------------|-----------------------|-----------|
| | 2018 £ | 2017 £ |
| Other income | 635 | 43 |

6 Charitable activities - expenditure

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Staff costs | 138,555 | - |
| Costs of providing courses | 69,332 | 75 |
| Event costs | 20,055 | 308 |
| Other costs | 2,378 | - |
| Fundraising | 3,600 | - |
| Educational services provision | 45,260 | - |
| Community development | 29,532 | - |
| | 308,712 | 383 |
| Share of support costs (see note 7) | 41,207 | 685 |
| Share of governance costs (see note 7) | 1,200 | 1,200 |
| | 351,119 | 2,268 |

The comparative full in-year expenditure relating to the previous year's (2017) charitable activities of Action for Happiness was £345,027. However these costs were incurred within the parent charity The Young Foundation (YF) and therefore appeared in the YF financial statements for 2017 rather than here. This 2018 financial year represents the first full year of independent operation of the new entity, so comparisons with the equivalent financial data from 2017 will not necessarily be meaningful.

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Support costs

| | Support costs | Governance costs | 2018 | 2017 |
|-------------------------|---------------|------------------|---------------|--------------|
| | £ | £ | £ | £ |
| Bank fees | 47 | - | 47 | 5 |
| General expenses | 3,409 | - | 3,409 | 11 |
| Online services | 14,620 | - | 14,620 | 257 |
| Printing and stationery | 571 | - | 571 | 340 |
| Travel | 2,017 | - | 2,017 | 72 |
| Rent | 18,580 | - | 18,580 | - |
| Insurance | 1,017 | - | 1,017 | - |
| Legal and professional | 946 | - | 946 | - |
| Independent examination | - | 1,200 | 1,200 | 1,200 |
| | <u>41,207</u> | <u>1,200</u> | <u>42,407</u> | <u>1,885</u> |
| Analysed between | | | | |
| Charitable activities | <u>41,207</u> | <u>1,200</u> | <u>42,407</u> | <u>1,885</u> |

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

9 Employees

Number of employees

The average monthly number of employees during the year was:

| 2018 Number | 2017 Number |
|----------------|----------------|
| 2 | - |
| <u>2</u> | <u>-</u> |

Employment costs

| | 2018 £ | 2017 £ |
|-----------------------|----------------|-----------|
| Wages and salaries | 106,000 | - |
| Social security costs | 13,475 | - |
| Other pension costs | 19,080 | - |
| | <u>138,555</u> | <u>-</u> |

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

| | 2018 Number | 2017 Number |
|---------------|----------------|----------------|
| Above £60,000 | 1 | - |
| | <u>1</u> | <u>-</u> |

10 Fixed asset investments

| | | Unlisted investments £ |
|-----------------------------|-------|------------------------------|
| Cost or valuation | | |
| At 1 January 2018 | | - |
| Additions | | 1 |
| | | <u>1</u> |
| At 31 December 2018 | | 1 |
| Carrying amount | | |
| At 31 December 2018 | | 1 |
| | | <u>1</u> |
| At 31 December 2017 | | - |
| | | <u>-</u> |
| | | |
| Other investments comprise: | Notes | |
| | | 2018 £ |
| Investments in subsidiaries | 16 | 1 |
| | | <u>1</u> |
| | | 2017 £ |
| | | - |
| | | <u>-</u> |

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

| | | | |
|-----------|---|-------------------|-------------------|
| 11 | Financial instruments | 2018 | 2017 |
| | | £ | £ |
| | Carrying amount of financial assets | | |
| | Debt instruments measured at amortised cost | 8,419 | 87,132 |
| | | <u> </u> | <u> </u> |
| | Carrying amount of financial liabilities | | |
| | Measured at amortised cost | 8,622 | 1,200 |
| | | <u> </u> | <u> </u> |
| 12 | Debtors | 2018 | 2017 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Other debtors | 8,419 | 87,132 |
| | Prepayments and accrued income | 2,370 | - |
| | | <u> </u> | <u> </u> |
| | | 10,789 | 87,132 |
| | | <u> </u> | <u> </u> |
| 13 | Creditors: amounts falling due within one year | 2018 | 2017 |
| | | £ | £ |
| | Other taxation and social security | 3,833 | - |
| | Other creditors | 7,422 | - |
| | Accruals and deferred income | 1,200 | 1,200 |
| | | <u> </u> | <u> </u> |
| | | 12,455 | 1,200 |
| | | <u> </u> | <u> </u> |

ACTION FOR HAPPINESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

14 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2018 £ | 2017 £ |
|----------------------------|---------------|-----------|
| Within one year | 18,192 | - |
| Between two and five years | 9,096 | - |
| | <u>27,288</u> | <u>-</u> |

15 Related party transactions

One of the trustees, Ms V A King, provided training on behalf of the charity for which her company, ChangeSpace Ltd received a fee of £39,108 at arms length.

16 Subsidiaries

These financial statements are separate charity financial statements for Action for Happiness Limited.

A subsidiary trading company, Action for Happiness Trading Limited, was incorporated as a company limited by shares on 2 November 2018 in England and Wales. The charity holds 100% of the share capital. Financial statements will be prepared for the period from incorporation to 31 December 2019 and filed with the Registrar of Companies.

Details of the charity's subsidiaries at 31 December 2018 are as follows:

| Name of undertaking | Registered office | Nature of business | Class of shares held | % Held | |
|--------------------------------------|-------------------|-----------------------|----------------------|--------|----------|
| | | | | Direct | Indirect |
| Action for Happiness Trading Limited | England and Wales | Provision of services | Ordinary | 100.00 | |