

MIDLAND MENCAP

England & Wales · Charity number 1043360

Details

Other names	THE BIRMINGHAM SOCIETY FOR MENTALLY HANDICAPPED CHILDREN AND ADULTS, BIRMINGHAM MENCAP
Status	Registered
Legal form	Charitable company
Company number	03006451
Registered	1995-01-16
Register	View on the Charity Commission register

Contact

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Website	www.midlandmencap.org.uk

Activities

Objects: A) THE RELIEF OF PEOPLE WITH A LEARNING DISABILITY IN PARTICULAR BY THE PROVISION OF HELP AND SUPPORT FOR THEM AND FOR THEIR FAMILIES, DEPENDANTS AND CARERS, AND TO PREVENT LEARNING DISABILITIES FOR THE PUBLIC BENEFIT AND TO ADVANCE RELIGION AMONGST PERSONS WITH A LEARNING DISABILITY; ANDB) TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES FOR THE RECREATION OR OTHER LEISURE TIME OCCUPATION FOR PEOPLE WHO HAVE NEED THEREOF BY REASON OF LEARNING DISABILITY WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.

Activities: Provision of support services to individuals with a Learning Disability and their family carers

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Disability, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin

Geography

- **Area of benefit:** BIRMINGHAM AND IMMEDIATELY SURROUNDING AREAS
- Birmingham City
- Walsall
- Worcestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£10,794,540	£9,315,255	£16,985,712	318
2024-03-31	£10,994,996	£8,945,963	£15,326,086	345
2023-03-31	£9,608,511	£8,352,467	£13,177,871	383
2022-03-31	£9,084,686	£8,154,009	£11,974,317	386
2021-03-31	£8,921,415	£8,000,411	£11,076,805	387

Trustees

Name	Role	Appointed
Melanie Roberts	Chair	2025-09-26
AMY WINTER		2024-03-25
COLIN JONES		2023-12-04
Christopher Stephen Proctor		2022-04-29
Dr Fiona McConnell		2020-11-23
Graham Muth		2025-05-22
KULDIP SINGH GUJRAL		
NIGEL SMITH		
Nicholas Philip Green		2022-02-25

MIDLAND MENCAP

England & Wales - Charity number 1043360

Accounts

Registered number: 03006451

Charity number: 1043360

Midland Mencap

Trustees' Report and Financial Statements

For the year ended 31 March 2025



Midland Mencap
(A company limited by guarantee)

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Midland Mencap

(A company limited by guarantee)

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 31 March 2025**

Trustees	M A Roberts, Chair K Gujral Dr F M McConnell N P Green C S Proctor N Smith A H E Winter M A Roberts C Jones
Company registered number	03006451
Charity registered number	1043360
Registered office	Unit E, Pinewood Bell Heath Way Woodgate Business Park Birmingham B32 3BZ
Chief executive officer	D Rogers
Independent auditor	Dains Audit Limited 2 Chamberlain Square Paradise Birmingham B3 3AX
Bankers	Unity Trust Bank Four Brindley Place Birmingham B1 2JB

Midland Mencap

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Trustees' report

For the year ended 31 March 2025

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2024 to 31 March 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Vision

A society where people with learning disabilities have access to safe, inclusive, and person-centred care and support promoting and enabling active citizenship and full participation in community life.

Mission

To empower individuals with learning disabilities to live independently, confidently, and safely in homes of their choosing, supported by a network of inclusive, sustainable community-based services.

Objectives and activities

a. Policies and objectives

The current organisational strategy continues to guide Midland Mencap in an environment marked by extreme challenges and uncertainty in funding across the Third Sector. Despite these pressures, Midland Mencap maintains a progressive, solutions-focused strategy that identifies opportunities for growth in service delivery to better serve people with disabilities, their families and carers, irrespective of age, gender, or ethnicity.

To deliver Midland Mencap's aims and objectives, we strive to:

- Consolidate Midland Mencap's position as a leading disability provider in the West Midlands.
- Embed recent governance changes into our offer to citizens and their families, strengthening and broadening access to our three core service areas.
- Further enhance the organisation's governance through ongoing Board development and trustee recruitment.
- Position Midland Mencap as a sector leader in the delivery of Universal Prevention Services.
- Align our Housing with care and support provision with emerging Prevention First and lifestyle commissioning frameworks in social care and Public Health.
- Strengthen relationships with regional local authorities, West Midlands Combined Authority and other potential funders to secure sustainable funding.
- Collaborate with partner organisations to explore Community Asset Transfer opportunities and mergers consistent with our mission.
- Meet the commitments of Birmingham City Council's Business Charter for Social Responsibility.
- Continue investing in housing provision that meets diverse needs.
- Work with citizens and family carers as key partners to develop inclusive community offers that promote wellbeing, active lifestyles, and respond to evolving needs and rising demand.
- Diversify funding streams to ensure continuity for projects advancing our core mission.
- Develop and integrate IT systems that enhance productivity and service delivery.
- Deliver a comprehensive volunteering strategy aligned to our mission.
- Maximise the impact of marketing and social media to enhance recognition and support for our work.
- Modernise and streamline operations to improve efficiency.

Objectives and activities (continued)

- Increase income through fundraising and corporate partnerships.
- Focus on developing and acquiring expertise to enable entry into new market segments.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Trustees always ensure that their strategic and operational objectives are carried out for the public benefit. This is achieved through the provision of a wide range of services to people with learning disabilities. This annual report demonstrates how Midland Mencap has spent funds available towards meeting its charitable objectives.

Achievements and performance

a. Main achievements of the Charity

Midland Mencap continues to operate within a challenging landscape, shaped by pressures such as reduced and uncertain funding, proposed welfare reforms, increased demand on services, and an ongoing crisis in social care funding. These factors have tested both the resilience and adaptability of the organisation. Despite these challenges, through the hard work, commitment, and dedication of our staff teams, we have not only sustained our operations but also strengthened and expanded our service offering. We have cemented our strategic relevance with statutory partners and, most importantly, deepened our commitment to co producing services with citizens and family carers.

Key Organisational Strategic Aims

The organisation is in the process of developing its future operating strategy, to be published in Spring 2026. This strategy will ensure that our objectives remain relevant, responsive, and aligned with evolving environmental and social policy landscapes. The current year has been one of strong operational performance for Midland Mencap, with measurable growth across our service footprint.

We have achieved success in winning, retaining, and mobilising new contracts, thereby expanding our health and wellbeing provision, establishing a specialist domestic violence service, and delivering a dedicated carer support service in Walsall. We have strengthened our Children's Services provision and further developed Parkride, our innovative accessible cycling programme.

Our community services have seen a significant rise in demand, particularly for activities that promote wellbeing and inclusion. In response, we have expanded both the range and availability of opportunities offered, enabling more citizens and families to benefit from our work.

Our forward plans include:

- Publishing a new organisational strategy in 2026 to articulate our priorities, ambitions, and responses to emerging challenges.
- Producing a fully costed business plan, outlining not only the delivery of strategic objectives but also the resource requirements to sustain them.
- Expanding our housing portfolio by adding additional housing units to meet the needs of citizens and families.
- Strengthening and growing our service provision in Coventry, Worcester, and the Black Country.

Achievements and performance (continued)

- Continuing to invest in our workforce, particularly to address sector wide recruitment and retention challenges, and to provide professional development opportunities.
- Building the capacity of our Trustee Board to ensure strong governance and strategic oversight.

We recognise that pressures persist, particularly around social care funding arrangements, workforce recruitment and retention, and increasing demand on services. These challenges are sector wide and represent the greatest determinant of our ability to deliver our strategic objectives. Pay and conditions remain critical factors influencing the recruitment and retention of social care professionals.

Nevertheless, Midland Mencap is well positioned to deliver its strategic aims. We will achieve this not only through the effective use of our own resources but also by strengthening collaboration and working in partnership with key stakeholders. Central to this is our continued commitment to co producing outcomes with citizens and families, ensuring that lived experience informs our decision making and drives service improvement.

Key operational headlines:

Domiciliary Care

Midland Mencap's Domiciliary Care service continues to operate effectively and efficiently despite an ongoing backdrop of local authority financial constraints and delays in care assessments. Highlights over the year include the opening of several high quality accommodation units, significantly improving living conditions and tenancy sustainability for a group of longstanding citizens.

The year also saw the formal closure of the former Birmingham Multicare Respite services at both Silver Birch Road and Greswolde Park Road. This process involved extensive consultation with affected staff and the formal transfer of all remaining regulated community based activity from Birmingham Multicare to Midland Mencap. As a result, the Domiciliary Care department now provides support to 128 citizens, delivering approximately 4,800 regulated care hours per week.

Community Wellbeing Service

The Community Wellbeing Service has completed two full years in its current contract cycle, successfully transitioning from a historically housing related support focus to a broader preventative model centred on health and wellbeing outcomes. This city wide service, supporting adults with learning disabilities and/or autism, has built strong partnerships across health services, the Third Sector and private organisations.

Challenges remain, including the lack of suitable accommodation, delays in social worker assessments, and uncertainty in local authority funding. The service supported 429 citizens in the year and currently delivers approximately 1,700 hours of support each week.

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Trustees' report (continued)

For the year ended 31 March 2025

Achievements and performance (continued)

PURE – Employment Support

Midland Mencap's PURE service provides bespoke training, skills based courses, and employment opportunities for those individuals furthest from the job market. Over the past year, PURE has been the top performing provider in its sector, addressing, with creativity and innovation, under employability among people with learning disabilities.

Highlights include a series of successful events celebrating participant achievements and raising the profile of the service, including a high profile celebration day at Symphony Hall. In addition, strategic partnerships with Medequip, Nuffield Health, and Tesco have been strengthened. The PURE service has been extended to March 2026 and is well placed to leverage alternative funding streams anticipated in the coming year.

Carers Emergency Response Service

The Carers Emergency Response Service has continued to deliver consistent, high quality support and successfully recruited a new service manager during the year. The service currently has 1,673 carers registered and assessed for emergency support. Demand remains strong, with 993 referrals received over the year and 602 emergency response hours provided. In addition, the team delivered 1,080 hours of pre planned support to carers, helping to sustain family based care arrangements.

Domestic Abuse Service

Midland Mencap was successful in securing community grant funding during the year. This funding will enable the resumption of specialised learning disability work from July 2025, further strengthening our capacity to support vulnerable citizens.

Housing, Care & Support – Miscellaneous Achievements

This year, Midland Mencap has featured prominently in national and local news in relation to proposed government welfare reforms and the NHS's decision to remove targets for Annual Health Checks. Coverage has appeared on ITV News, BBC Radio 5 Live, BBC WM, BBC Sounds, and via the Bauer Media network.

Significant developments include:

- Continued collaboration with our software provider.
- Spotlight feature produced by a multi award winning communications agency.
- Transition of in house training to e learning.
- Strengthened partnerships to diversify income streams, supported by ongoing engagement with Birmingham City Council and the West Midlands Combined Authority.
- Active participation in national and local forums on housing, vulnerable adults, employability, and domestic abuse.
- Representation at the Learning and Disability England National Conference alongside over 300 members, and continued support for staff wellbeing via Health Assured and Peninsula.
- Early stage discussions with the NHS, local authority and Anthony Collins regarding Continuing Healthcare Funding opportunities.

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Trustees' report (continued)

For the year ended 31 March 2025

Achievements and performance (continued)

Children's Services

During the year, Midland Mencap's Children & Young People Short Breaks service, Personal Assistant service and Community Support service continued to be in strong demand across the West Midlands.

Key headlines:

- Delivered a total of 6,788 hours of short breaks to children and young people and their families in Birmingham.
- Delivered 880 hours of short breaks in Worcestershire, including 690 hours of commissioned sessions and 190 hours of community support packages.
- Delivered 5,065 hours of commissioned short breaks in Coventry.
- Delivered 494 hours of commissioned short breaks in North Warwickshire.

In the year 2024–2025, Midland Mencap's Children & Young People ("CYP") team continued to deliver a consistent and high-quality service to children, young people, and their families across the West Midlands. Short Breaks sessions ran weekly during term time, with additional higher capacity sessions offered during school holidays to meet demand and provide vital respite opportunities for families.

In Birmingham, delivery continued of our Holiday, Activities and Food ("HAF") sessions in partnership with Street Games, offering a total of eight funded sessions over the year, attended by 104 children and young people. These free sessions have been essential in providing much-needed support for families experiencing financial hardship during the ongoing cost-of-living crisis. Demand for Birmingham's CYP services remained high, resulting in increased waiting times. In response, the team streamlined assessment systems to improve efficiency and completed a higher number of assessments during the year.

However, our After School Club service faced challenges, and in January 2025 it was necessary to make the difficult decision to end this offering. This was due to the service no longer being financially viable, following the opening of wraparound care provision by local schools at lower cost, which families increasingly chose instead. The service continued to support one child whose school did not provide after-school care. In recognition of the child's needs, the CYP Service continued to offer specialist 1:1 support until an alternative arrangement could be secured by the family.

The Personal Assistant service maintained consistent delivery throughout the year, with nine citizens regularly accessing the service. Two citizens used the PA service in combination with Birmingham Short Breaks, enhancing the flexibility and choice for families in their commissioned hours.

The Birmingham Women's and Children's Hospital playworker role was recommissioned for an additional year, with hours increased to 28 per week. This role has proven to make a significant positive impact on the experiences of children and young people accessing the hospital and their families. The playworker has been fully integrated within the hospital's Learning Disability team and the service continues to flourish, enhancing patient care and support.

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Trustees' report (continued)

For the year ended 31 March 2025

Achievements and performance (continued)

As part of the SEND (Special educational needs and disability) Co-Production framework, A "Yes group" (a group of individuals who are involved in the co-production process and contribute to the development and delivery of services) was introduced in June 2024. Twelve children transitioned to the Adulthood Team, with sensitive support put in place to ensure members felt safe and secure with new facilitators. Between June 2024 and March 2025, two YES Group facilitators led a total of 24 sessions. Over the course of the year, members contributed to consultation work with West Midlands Police regarding Disability Hate Crime. The group is planning further initiatives, including a summer trip, a pilot project with EduFun for young commissioners, and consultation work in May 2025 with Birmingham City Council for the Young People's Strategy.

In recognition of its co-production work, the CYP Service achieved bronze accreditation from SEND Champion Group and continues to work towards silver accreditation. This will be achieved through the establishment of a Young People's Panel and further consultation with children and young people. These developments aim to ensure the CYP Service remains child-centred, responsive, and driven by the voices of those it serves.

The Worcestershire Short Breaks service was successfully recommissioned via Sutton Croft, securing all tendered contracts. This commissioning enabled the service to expand its provision to a total of fourteen packages, delivered from two locations: Warndon Hub and the Ryland Centre, in partnership with Bromsgrove School. This expansion has provided stability for children, young people, families, and staff across the Worcestershire region.

Strengthened relationships with Sutton Croft enabled the Worcestershire service to secure additional HAF funding, supporting the Ready, Steady, Worcester programme. The funding allowed children and young people to enjoy a full day at Atwell Farm Park - an inclusive environment designed to ensure all visitors feel safe, valued, and included. This initiative has strengthened the partnership between Midland Mencap and Atwell Farm Park, enhancing accessibility for children and young people with special educational needs and disabilities.

July 2024 saw a new coordinator take on the Coventry service, which has since grown significantly. During the year capacity increased from eleven to 37 regular attendees with packages, covering both Short Breaks and Community Support. As a result, double weekend sessions have been offered since October 2024 to meet demand. Positive relationships with the Coventry commissioning team led to Midland Mencap securing a new Short Breaks contract from 1 April 2025, alongside a new Block Emergency Contract.

Collaboration with Coventry's Family Hubs team enabled the CYP service to expand session delivery across a range of venues, including Pathways Family Hub (Radford), The Moat Family Hub (Walsgrave), and Harmony Family Hub (Hillfields). This expanded provision has provided families across Coventry with a wider choice of accessible and localised services.

In Warwickshire, a low volume of referrals and only a small uplift in hourly rates resulted in the decision not to re-tender for the new Short Breaks contract which commenced 1 April 2025. The previous contract ended on 31 March 2025, with a handover transition period until 1 August 2025, for the four existing packages.

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Trustees' report (continued)

For the year ended 31 March 2025

Achievements and performance (continued)

The Family Carers Wellbeing Team (Birmingham)

The Family Carers Wellbeing Team has continued to deliver a strong programme of support for unpaid family carers, receiving consistently positive feedback on the quality of Statutory Carers Assessments. Over the year, the team worked with more than 400 unpaid carers, offering a range of support including assessments, wellbeing check-ins, support groups, workshops, events, and one-to-one guidance.

Walsall Carers Hub

The Walsall Carers Hub maintained strong engagement, with over 3,000 carers registered. Around 400 new carers received support during the year, including wellbeing check-ins, welfare advice, peer support, group activities, one-to-one information and guidance, and Parent Carer support via the Max Card scheme. In Quarter 4 alone, the hub recorded over 2,270 website visits. Carers' wellbeing scores improved from 2.01 to 3.21, with 54% reporting improved wellbeing and 50% feeling more confident.

Walsall Disability Hub

The Walsall Disability Hub experienced further growth during the year, with nearly 300 registered citizens and increased timetabled activities resulting in higher attendance per session. The hub continued to act as a central information resource for professionals, disabled citizens and unpaid carers.

Parkride - Accessible Cycling

Parkride has become the largest accessible cycling scheme in the region, delivering another highly successful year. The project continues to empower citizens with learning disabilities to enjoy the freedom and independence cycling offers, supported in a safe and inclusive environment. By providing accessible cycles and tailored support, Parkride has helped participants improve fitness, confidence, and connection to their communities. Feedback has been overwhelmingly positive, and participation across the West Midlands has grown.

Partnership work with specialist schools in Birmingham, Dudley, Coventry, and Sandwell enabled sessions integrated into the school curriculum, benefiting students' cycling skills, wellbeing and confidence. Successful funding applications from bodies including the West Midlands Combined Authority, Sutton Coldfield Charitable Trust, Perry Barr NNS, Sutton Coldfield NNS, and Coventry City Council supported the delivery of 312 sessions, engaging over 2,450 participants. Sessions included one-to-one support, led rides, Parkspin activities, and cycling with confidence courses, as well as support for local events. Self-funded sessions also continued, with regular participants keen to extend their cycling experiences.

Following the success of the Coventry City Council-funded Cycling with Confidence courses, Parkride introduced weekly self-funded sessions in Longford Park, benefiting 16 participants to continue cycling. The team continues to pursue funding streams to ensure the sustainability of this important project.

Achievements and performance (continued)

Capturing Change Project

Year 1 of the Capturing Change Project focused on Annual Health Checks, End of Life care, and improving the transition/referral process between primary and secondary care. Engagement with over 150 adults with lived experience of learning disabilities or autism informed the project through face-to-face meetings, focus groups, surveys, and calls. Feedback was incorporated into four accessible reports presented at quarterly governance meetings. Key themes included improving both written and verbal communication, with recommendations for improvement identified. Year 2 will focus on Dementia, pain management, accessing healthcare virtually, and engaging ethnic minority groups.

Citizen Engagement Network

The team expanded connections in the learning disability and autism sectors through a secondment to Birmingham Community Healthcare Trust, supporting the rollout of the Oliver McGowan Mandatory Training. This created opportunities to engage with individuals with lived experience and healthcare professionals, enabling deeper insight into areas such as autism and shaping future service delivery.

This secondment also supported the organisation's development as a training provider, creating additional income streams and paid opportunities for people with lived experience to deliver training. Co-production strategy development continued, embedding citizen voices across the organisation. A pilot digital workshop group explored the role of a shadow/advisory board to support trustees in decision-making. In September 2024, the group conducted a survey and consultation in relation to the Weoley Castle Community Centre, culminating in a presentation to the Board of Trustees to highlight proposed improvements.

Worcester Day Opportunities

Midland Mencap continues to deliver a person-centred Day Opportunities service for adults with learning disabilities and additional needs, moving away from a building-based model to community-based activities. This includes one-to-one support tailored to individual preferences such as wellbeing walks, trips, art and music sessions, bowling, cinema trips, and skill-building activities such as travel training and employment support. A recent highlight included a citizen organising a day trip to Bristol to visit three train stations and enjoy a picnic.

Coventry Day Opportunity Activities

Following successful co-production events, the Coventry service now delivers four regular sessions: music, drama, Parkride cycling, and the popular Meet, Eat and Natter sessions for carers and individuals with additional needs. Plans are underway to expand activities throughout weekdays and evenings at various venues across Coventry.

Weoley Castle Community Hub

The Weoley Castle Community Hub has had an exceptionally busy year. The Happy Bean Café remains a thriving space for citizens to connect, with over 300 regular participants engaging in activities and enjoying the café environment. Sport and activity provision has grown significantly, fostering collaboration with local groups and emphasising co-production and asset-based community development approaches.

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Trustees' report (continued)
For the year ended 31 March 2025

Achievements and performance (continued)

Asha Community Project

The Asha Community Project continues to provide tailored support for six women from the South Asian community, offering cultural and gender-specific activities driven by participant choice. The carers' team has worked closely with families to empower them to engage with social workers and access the services and benefits to which they are entitled.

Chair's Closing Statement:

"This year has demonstrated the power of collaboration, co-production, and person-centred approaches. Our services continue to empower citizens, improve wellbeing, and strengthen communities. The challenge ahead is to sustain this impact through strategic growth and continued innovation."

- Melanie Anne Roberts, Chair of Trustees

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Over the last fifteen years Midland Mencap has built up substantial assets and cash reserves. The Trustees and Executive team recognise that though the level of reserves provides the charity with significant financial security, it also potentially inhibits relationships with existing or potential funders.

Having a reserves policy and clear explanations on why reserves are held at particular levels is a key part of the internal financial management of the organisation, allowing the Trustees and management team to manage resources effectively and plan for the future.

Free reserves are the funds Midland Mencap can expend on any of its charitable purposes without external restrictions from funders. This does however exclude restricted funds as these must be spent for a specific purpose that was initially intended by the funder. The free reserves also exclude the organisation's tangible fixed assets held for the the charity's own use. This is because these assets are used by Midland Mencap to deliver activities and as such will not be instantly converted to cash to meet a funding deficit should such need arise. In addition to this, designated funds are also excluded from free reserves. The designated funds are set aside to meet essential and specific short to medium term liabilities and projects that advance the organisation's charitable aims and objectives.

Therefore Midland Mencap's strategic plans have and will be developed to utilise the remaining free reserves to:

- Protect the financial stability of the organisation.
- Invest in IT infrastructure that will ensure efficient and effective operational processes.
- Facilitate the strategic and planned investment in growing our Community Hub offer to ensure its self sustainability and wider reach.
- Allow the organisation to operate uninterrupted services in the event of funding delay or substantial funding cuts.
- Fund the organisation's growth strategy, especially for new geographical areas.

Further to the use of free reserves outlined above, below are the details of the circumstances in which the free reserves will be utilised:

- To ensure funds are available for unforeseen emergencies or other unexpected needs, for example unexpected property repairs or funding for an urgent project opportunities.
- Unforeseen day to day operational costs.
- Grant income not being renewed.
- Planned commitments which may need higher levels of reserves.
- Funds to allow for increased beneficiary need.
- The need to fund short-term deficits in a cash budget, for example, money may need to be spent before funding is received.
- Staff retention.

Midland Mencap

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Trustees' report (continued)

For the year ended 31 March 2025

The group's consolidated total reserves at 31 March 2025 were £16,985,712 (2024 - £15,326,086). £6,291,230 (2024 - £5,528,295) of this is represented by tangible fixed assets held for charitable use, £783,000 (2024 - £630,000) of which is restricted funds, and a further £2,200,000 (2024 - £2,200,000) is designated funds (details given under financial review), which leaves the group with free reserves of £8,471,482 (2024 - £7,574,790) as at 31 March 2025 - equivalent to 14 months' worth of current staff salaries.

The Trustees consider that the current level of reserves will ensure that, in the event of a significant drop in funding, they will be able to continue the Charitable Company's current activities whilst consideration is given to ways in which additional funds may be raised. The reserves levels are monitored and maintained throughout the year.

c. Review of financial position

Midland Mencap continues to hold 100% stake in its subsidiary, Birmingham Multi-Care Support Services. This is a charitable company, limited by guarantee, whose mission, values, objectives and activities align with those of Midland Mencap. As such the Midland Mencap financial statements are reported as consolidated accounts in accordance with relevant Accounting Standards.

The total consolidated income of £10,794,540 (2024 - £10,994,996) included £43,795 (2024 - £580,242) income from the subsidiary and the total expenditure of £9,315,255 (2024 - £8,945,963) included £262,942 of subsidiary expenditure (2024 - £521,869). Following substantial redundancy and other closure costs, the subsidiary reported a deficit of £52,147 (2024 - surplus of £58,373) and the overall group reported a surplus of £1,659,626 (2024 - £2,148,215). The consolidated total reserves stood at £16,985,712 (2024 - £15,326,086). The group continues to have sufficient cash flows to carry out its charitable objectives.

As explained in the reserves policy below, some reserves have been designated to meet planned expenditure and projects expected to be undertaken in the coming financial year. £2.2m (2024 - £2.2m) has been designated to Domcare, new business development to ensure funding diversification and funding the growth and sustainability of Midland Mencap's Community services in the face of funding cuts against an increased demand for services.

The £806k (2024 - £653k) in restricted reserves is largely attributable to Birmingham Multi-Care properties with a provision that the monies be repaid to the trust, local and central government departments should certain conditions not be met.

d. Risk factors

The board of Trustees continually assess the risks to which the charity is exposed and systems have been put in place to mitigate these risks. Internal controls have been put in place to minimise operational risks by implementing an active and rigorous policy on safeguarding and health and safety procedures. Internal financial risks have been minimised by continual review and implementation of authorisation and monitoring of all transactions. Risks to future income and expenditure levels are monitored by setting annual budgets and monitoring actual performance on a monthly basis and this is reported to trustees at every board meeting. Where significant financial risk still remains, the board has ensured proper insurance cover.

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Trustees' report (continued)

For the year ended 31 March 2025

Structure, governance and management

a. Constitution

Midland Mencap is registered as a charitable company limited by guarantee and not having share capital, incorporated in January 1995 and registered as a charity. The Charitable Company was established by its Memorandum of Association, which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The Memorandum and Articles of Association were amended and a resolution was passed at a Special General Meeting held on 31 October 2018. The Charity Commission has also approved the amendments to the governing documents.

b. Methods of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the Articles of Association.

None of the Trustees have any beneficial interest in the Charitable Company. All of the Trustees are members of the Company. The Trustees and other members guarantee to contribute £1 in the event of an insolvent winding up.

When recruiting new Trustees the existing Trustees look for those individuals whose skills and experience can make a significant contribution to the management of the Charitable Company.

All new Trustees are made aware of their responsibilities as Charity Trustees and Company Directors and are helped to familiarise themselves with the practical and financial aspects of the Charitable Company's operations. To help them they are provided with a copy of the Company's Memorandum and Articles of Association, the latest published accounts, the Charitable Company's mission statement and appropriate Charity Commission publications.

c. Organisational structure and decision-making policies

The business of the Charity is managed by the Trustees acting as members and the Executive Committee. The Committee consists of the honorary officers of the Charity; up to twelve other members are appointed by the Board. The number of Executive Committee members may not be less than eight.

On 31 October 2018 a special general meeting was held to pass a special resolution allowing the Charity to now be governed by the revised Memorandum and Articles of Association. The Charity Commission has approved amendments to the organisation's Memorandum and Articles of Association and Charity's Objectives.

The Board of Trustees continues to delegate the responsibility for the day to day management of the Charity business to the Chief Executive and the senior management team. There is a clear distinction between the roles of the trustees and the senior management team. The senior management team is responsible for the production of strategic and operational plans, policies and budgets which are presented to the board of trustees for consideration, approval and monitoring. Board meetings are held regularly in order to update the Trustees on the activities and financial performance of the Charity.

Structure, governance and management (continued)

d. Related party relationships

The Charity is affiliated to Royal Mencap, Mencap National Centre, 123 Golden Lane, London, EC1Y 0RT.

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

Future Strategic Objectives

- Publish a refreshed and fully costed organisational strategic plan for the period 2025 – 2028.
- Continue to seek viable business development opportunities across the region whilst at the same time put in place a funded plan to both consolidate and insulate existing service provision against external economic pressures.
- During this period to increase the tenancies within our housing stock by eight through the purchase and refurbishment of properties from the residential housing market.
- In conjunction with an accredited delivery partner, deliver an in-house management and personal development pathway for first in line managers.
- Continue to build our model of co-production further aligning citizen influence with the organisation's governance.
- Continue to build key strategic and collaborative partnerships with both statutory and Voluntary, Community & Social Enterprise (VCSE) Sector.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Group and the Charity carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees.

The Group and the Charity have implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Group and the Charity's equal opportunities policy, the Group and the Charity have long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charity's offices.

Midland Mencap aims to pay salaries that are fair and competitive within the charity sector in order to retain qualified staff. From January 2023, the Board took the decision to introduce the real living wage ahead of a May 2023 deadline. Remuneration of the senior management team is set and approved by the Board of Trustees' who benchmark their decision based on pay levels of similar sized charities.

Our key management personnel are the Chief Executive, Director of Operations, Head of Housing Care and Support, Deputy Director of Operations and Head of Finance.

Midland Mencap is committed to paying the Real Living Wage as set by Birmingham Business Charter.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Charitable Company will continue in business.

Midland Mencap

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 March 2025

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

Auditor

Dains Audit Limited have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



M A Roberts

Chair of Trustees

Date: 20 November 2025

Midland Mencap

(A company limited by guarantee)

Independent Auditor's Report to the Members of Midland Mencap

Opinion

We have audited the financial statements of Midland Mencap (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Midland Mencap**(A company limited by guarantee)****Independent Auditor's Report to the Members of Midland Mencap (continued)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Midland Mencap

(A company limited by guarantee)

Independent Auditor's Report to the Members of Midland Mencap (continued)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and the parent charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and the parent charitable company, including the financial reporting legislation, Companies Act 2006, Charities Act 2011, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Midland Mencap

(A company limited by guarantee)

Independent Auditor's Report to the Members of Midland Mencap (continued)

We assessed the susceptibility of the group and the parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group's and parent charitable company's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Midland Mencap
(A company limited by guarantee)

Independent Auditor's Report to the Members of Midland Mencap (continued)

Use of our report

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

Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of

Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

20 November 2025

Midland Mencap
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	873,397	431,352	1,304,749	1,113,418
Charitable activities	4	8,966,886	-	8,966,886	9,669,660
Other trading activities	5	24,949	-	24,949	16,629
Investments	6	428,045	-	428,045	160,875
Other income	7	69,911	-	69,911	34,414
Total income		10,363,188	431,352	10,794,540	10,994,996
Expenditure on:					
Raising funds	8	22,929	-	22,929	24,096
Charitable activities	9	8,846,974	445,352	9,292,326	8,921,867
Total expenditure		8,869,903	445,352	9,315,255	8,945,963
Net income before investments		1,493,285	(14,000)	1,479,285	2,049,033
Net gains on investments		13,341	-	13,341	99,182
Net movement in funds before other recognised gains/(losses)		1,506,626	(14,000)	1,492,626	2,148,215
Gains on revaluation of fixed assets	14	-	167,000	167,000	-
Net movement in funds		1,506,626	153,000	1,659,626	2,148,215
Reconciliation of funds:					
Total funds brought forward	20	14,673,086	653,000	15,326,086	13,177,871
Net movement in funds		1,506,626	153,000	1,659,626	2,148,215
Total funds carried forward	20	16,179,712	806,000	16,985,712	15,326,086

The notes on pages 26 to 52 form part of these financial statements.

Midland Mencap
(A company limited by guarantee)
Registered number: 03006451

Consolidated balance sheet
As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	6,291,230	5,528,295
Investments	15	1,069,177	1,033,158
		<u>7,360,407</u>	<u>6,561,453</u>
Current assets			
Stocks		635	1,187
Debtors	16	1,540,479	1,401,839
Investments	17	7,600,000	5,125,000
Cash at bank and in hand		1,548,746	3,117,803
		<u>10,689,860</u>	<u>9,645,829</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(1,044,372)	(881,196)
		<u>9,645,488</u>	8,764,633
Net current assets			
Creditors: amounts falling due after more than one year	19	(20,183)	-
		<u>16,985,712</u>	<u>15,326,086</u>
Total net assets			
Charity funds			
Restricted funds	20	806,000	653,000
Unrestricted funds	20	16,179,712	14,673,086
		<u>16,985,712</u>	<u>15,326,086</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



M A Roberts
Chair of Trustees
Date: 20 November 2025

The notes on pages 26 to 52 form part of these financial statements.

Midland Mencap
(A company limited by guarantee)
Registered number: 03006451

Charity balance sheet
As at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	14	5,508,230	4,898,296
Investments	15	1,069,177	1,033,158
		<u>6,577,407</u>	<u>5,931,454</u>
Current assets			
Stocks		635	1,187
Debtors	16	1,542,634	1,312,139
Investments	17	7,600,000	5,125,000
Cash at bank and in hand		1,065,590	2,499,280
		<u>10,208,859</u>	<u>8,937,606</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(1,030,596)	(845,346)
		<u>9,178,263</u>	<u>8,092,260</u>
Net current assets			
Creditors: amounts falling due after more than one year	19	(20,183)	-
		<u>15,735,487</u>	<u>14,023,714</u>
Total net assets			
Charity funds			
Restricted funds		23,000	23,000
Unrestricted funds		15,712,487	14,000,714
		<u>15,735,487</u>	<u>14,023,714</u>
Total funds			

The Charity's net movement in funds for the year was £1,711,773 (2024 - £2,086,419).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



M A Roberts
Chair of Trustees
Date: 20 November 2025

Midland Mencap
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	22	1,430,483	1,860,952
Cash flows from investing activities			
Dividends, interests and rents from investments		247,071	160,875
Proceeds from the sale of tangible fixed assets		12,500	245,772
Purchase of tangible fixed assets		(789,073)	(34,965)
Proceeds from sale of investments		89,733	123,816
Purchase of listed investments		(108,365)	(135,951)
Net cash (used in)/provided by investing activities		(548,134)	359,547
Cash flows from financing activities			
New finance leases		43,627	-
Repayments of finance leases		(16,539)	-
Net cash provided by financing activities		27,088	-
Change in cash and cash equivalents in the year		909,437	2,220,499
Cash and cash equivalents at the beginning of the year		8,242,803	6,022,304
Cash and cash equivalents at the end of the year	23	9,152,240	8,242,803

The notes on pages 26 to 52 form part of these financial statements

1. General information

Midland Mencap is a charitable company incorporated under the Companies Act in England and Wales and registered with the Charity Commission for England and Wales. The registered number and address of the registered office are given in the reference and administration section of these financial statements.

The nature of the charity's operations and principal activities are to provide a wide range of services to people with learning disabilities, which include Home Support, Supported Living, and the Carers Emergency Response Service (CERS) under the charity's CQC registered domiciliary care services, Learning Disability Community Wellbeing Service (CWS), Sitting Service, Placing Vulnerable Urban Residents into Employment and Training (PURE) and Housing Management Services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Midland Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Group and the parent charitable company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the Group and the parent charitable company has adequate resources and liquid funds sufficient to support its cash flow requirements and to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts donated for resale are included as income when they are sold.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest rate method and dividend income is recognised as the charitable company's right to receive payment is established.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration due by its satisfaction of performance obligations.

Income received through contracts is recognised from the point in which the Charitable Company has entitlement to the funds, contract conditions have been fully met or it is probable that the income will be received.

Where grant funding agreements contain conditions that specify the services to be performed in the form of a service level agreement, the conditions for payment are linked to the achievement of a particular level of service or the units of output delivered. Income must only be recognised to the extent that the Charity has provided the specified services as entitlement to the grant only occurs when the performance-related conditions are met.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and costs linked to the strategic management of the Charity.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

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

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Individual freehold properties are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charitable Company may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Consolidated statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2% straight-line
Leasehold property	- over the term of the lease
Leasehold property improvements	- 10% straight-line
Motor vehicles	- 25% straight-line
Fixtures and fittings	- 10% - 35% straight-line
Office equipment	- 10% - 35% straight-line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value. Donated items not yet sold are not included.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Current asset investments

Current asset investments includes cash on deposit with a maturity date of less than one year held for short-term investment purposes rather than cashflow. Current asset investments are valued at fair value unless they qualify as 'basic' financial assets.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2. Accounting policies (continued)

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.17 Pensions

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.18 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Accounting policies (continued)

Critical accounting estimates and areas of judgement

In the application of the Group'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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

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.

Critical accounting estimates and assumptions:

Depreciation - Useful economic life and residual value

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing the useful economic lives of assets, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values, and plans to dispose of an asset before the previously expected date.

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations	11,937	-	11,937
Grants	861,460	431,352	1,292,812
	<u>873,397</u>	<u>431,352</u>	<u>1,304,749</u>
	<u><u>873,397</u></u>	<u><u>431,352</u></u>	<u><u>1,304,749</u></u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	3,238	-	3,238
Grants	475,825	634,355	1,110,180
	<u>479,063</u>	<u>634,355</u>	<u>1,113,418</u>
	<u><u>479,063</u></u>	<u><u>634,355</u></u>	<u><u>1,113,418</u></u>

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Domiciliary care fees	4,667,402	4,667,402	4,754,107
PA service	759,187	759,187	659,698
Supporting people	2,421,130	2,421,130	2,480,067
HB & Residents contributions	944,062	944,062	883,170
Other contributions	22,856	22,856	53,377
Carers activities (Forward carers)	23,851	23,851	713,235
Activity and travel contributions	128,398	128,398	126,006
	<u>8,966,886</u>	<u>8,966,886</u>	<u>9,669,660</u>

The income in 2024 was wholly attributable to unrestricted funds.

5. Income from other trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Café and bar	16,041	16,041	13,529
Room lettings	8,908	8,908	3,100
	<u>24,949</u>	<u>24,949</u>	<u>16,629</u>

The income in 2024 was wholly attributable to unrestricted funds.

6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Rental income	42,702	42,702	42,614
Income from listed investments	30,111	30,111	18,868
Bank interest receivable	355,232	355,232	99,393
	<u>428,045</u>	<u>428,045</u>	<u>160,875</u>

The income in 2024 was wholly attributable to unrestricted funds.

7. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £
Miscellaneous income	57,411	57,411
Surplus on disposal of fixed assets	12,500	12,500
	<u>69,911</u>	<u>69,911</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Miscellaneous income	14,059	-	14,059
Surplus on disposal of fixed assets	-	20,355	20,355
	<u>14,059</u>	<u>20,355</u>	<u>34,414</u>

8. Expenditure on raising funds

Direct fundraising costs

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Café and bar	15,497	15,497	17,363
Investment management fees	7,432	7,432	6,733
	<u>22,929</u>	<u>22,929</u>	<u>24,096</u>

The expenditure in 2024 was wholly attributable to unrestricted funds.

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Domiciliary care, supported living, wellbeing and other care services	<u>8,846,974</u>	<u>445,352</u>	<u>9,292,326</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Domiciliary care, supported living, wellbeing and other care services	<u>8,291,928</u>	<u>629,939</u>	<u>8,921,867</u>

10. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Domiciliary care, supported living, wellbeing and other care services	8,347,553	944,773	9,292,326

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Domiciliary care, supported living, wellbeing and other care services	7,951,745	970,122	8,921,867

Analysis of direct costs

	Total funds 2025 £	Total funds 2024 £
Staff costs	7,271,597	7,353,031
Depreciation	193,137	166,156
Staff training, recruitment and other staff costs	511,068	60,659
Subcontracting and agency	226,433	258,570
Service delivery	145,318	113,329
	8,347,553	7,951,745

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
Printing, postage, stationery and equipment	195,410	106,577
Cleaning costs	46,507	55,438
IT equipment, software and maintenance costs	102,963	208,809
Repairs and renewals	48,800	100,008
Utility costs	47,682	76,741
Rent and rates	279,276	230,209
Licences and subscriptions	26,782	27,054
Legal and professional	83,599	65,298
Insurance	68,171	55,943
Bank charges	4,280	4,542
Advertising	9,660	4,496
Governance costs	31,643	35,007
	944,773	970,122

11. Net income for the year

Net income for the Group is stated after charging:

	2025 £	2024 £
Rentals on operating leases	171,535	212,281
Auditor's remuneration	24,725	23,000
Depreciation of tangible fixed assets	193,138	166,156

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Notes to the financial statements
For the year ended 31 March 2025

12. Staff costs

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	6,644,790	6,734,774	6,459,203	6,419,355
Social security costs	502,072	492,521	489,753	468,256
Pension costs	124,735	125,736	122,881	120,278
	7,271,597	7,353,031	7,071,837	7,007,889

Included in wages and salaries is £68,060 of statutory redundancy pay and £53,017 of notice and holiday pay following closure of the care facilities in the subsidiary undertaking.

The average number of persons employed by the Charity during the year was as follows:

	Group 2025 No.	Group 2024 No.	Charity 2025 No.	Charity 2024 No.
Management	22	20	22	20
Operational	280	297	275	267
Administration	16	28	16	28
	318	345	313	315

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £70,001 - £80,000	1	-
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	1	-

The key management personnel of the charity consists of the trustees and the senior management team. The total amount of employee benefits received by key management personnel is £393,467 (2024 - £400,828).

Notes to the financial statements
For the year ended 31 March 2025

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, travel expenses totalling £186 were reimbursed to 1 Trustee (2024 - £27 to 1 Trustee).

14. Tangible fixed assets

Group

	Freehold property £	Leasehold property £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2024	5,812,397	683,930	264,575	347,978	40,889	7,149,769
Additions	630,217	10,044	80,106	16,135	52,571	789,073
Disposals	-	-	-	-	(12,600)	(12,600)
Revaluations	125,000	-	-	-	-	125,000
At 31 March 2025	<u>6,567,614</u>	<u>693,974</u>	<u>344,681</u>	<u>364,113</u>	<u>80,860</u>	<u>8,051,242</u>
Depreciation						
At 1 April 2024	402,904	609,709	244,327	326,002	38,532	1,621,474
Charge for the year	125,778	16,268	29,104	8,530	13,458	193,138
On disposals	-	-	-	-	(12,600)	(12,600)
On revalued assets	(42,000)	-	-	-	-	(42,000)
At 31 March 2025	<u>486,682</u>	<u>625,977</u>	<u>273,431</u>	<u>334,532</u>	<u>39,390</u>	<u>1,760,012</u>
Net book value						
At 31 March 2025	<u>6,080,932</u>	<u>67,997</u>	<u>71,250</u>	<u>29,581</u>	<u>41,470</u>	<u>6,291,230</u>
At 31 March 2024	<u>5,409,493</u>	<u>74,221</u>	<u>20,248</u>	<u>21,976</u>	<u>2,357</u>	<u>5,528,295</u>

Midland Mencap**(A company limited by guarantee)****Notes to the financial statements****For the year ended 31 March 2025****14. Tangible fixed assets (continued)****Group (continued)**

Freehold property includes two care homes, 4 Greswolde Park Road and 7 Silver Birch Road. These properties were revalued in August 2019 at £350,000 each by an independent property services and estate agency company based on open market value.

During the current year, the Silver Birch Road property was relieved of the charge held over it by Birmingham City Council and subsequently professionally revalued at an open market value of £475,000.

Charity

	Freehold property £	Leasehold property £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2024	5,112,397	683,930	260,516	346,328	40,889	6,444,060
Additions	630,217	10,044	80,106	16,135	52,571	789,073
Disposals	-	-	-	-	(12,600)	(12,600)
At 31 March 2025	<u>5,742,614</u>	<u>693,974</u>	<u>340,622</u>	<u>362,463</u>	<u>80,860</u>	<u>7,220,533</u>
Depreciation						
At 1 April 2024	332,904	609,709	240,270	324,349	38,532	1,545,764
Charge for the year	111,778	16,268	29,104	8,531	13,458	179,139
On disposals	-	-	-	-	(12,600)	(12,600)
At 31 March 2025	<u>444,682</u>	<u>625,977</u>	<u>269,374</u>	<u>332,880</u>	<u>39,390</u>	<u>1,712,303</u>
Net book value						
At 31 March 2025	<u>5,297,932</u>	<u>67,997</u>	<u>71,248</u>	<u>29,583</u>	<u>41,470</u>	<u>5,508,230</u>
At 31 March 2024	<u>4,779,493</u>	<u>74,221</u>	<u>20,246</u>	<u>21,979</u>	<u>2,357</u>	<u>4,898,296</u>

Freehold property includes £375,257 (2024 - £375,257) for the cost of land, which is not depreciated.

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Notes to the financial statements
For the year ended 31 March 2025

15. Fixed asset investments

Group and Charity	Listed investments £	Cash in portfolio £	Total £
Market value			
At 1 April 2024	1,026,929	6,229	1,033,158
Additions	108,365	(108,365)	-
Disposals	(91,279)	82,951	(8,328)
Revaluations	21,668	-	21,668
Income net of fees	-	22,679	22,679
At 31 March 2025	<u>1,065,683</u>	<u>3,494</u>	<u>1,069,177</u>

The historical cost of investments at 31 March 2025 was £1,008,025 (2024 - £1,002,301).

16. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	680,543	799,507	680,543	740,374
Amounts owed by group undertakings	-	-	2,509	5,272
Other debtors	32,566	25,309	32,231	23,147
Prepayments and accrued income	827,370	577,023	827,351	543,346
	<u>1,540,479</u>	<u>1,401,839</u>	<u>1,542,634</u>	<u>1,312,139</u>

Amounts owed by group undertakings are repayable on demand, interest free and have no fixed date of repayment.

17. Current asset investments

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Short-term deposits	<u>7,600,000</u>	<u>5,125,000</u>	<u>7,600,000</u>	<u>5,125,000</u>

Notes to the financial statements
For the year ended 31 March 2025

18. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	189,899	82,123	188,098	81,532
Other taxation and social security	123,813	120,533	123,813	112,433
Obligations under finance leases	14,110	7,205	14,110	7,205
Other creditors	658,335	586,729	646,361	568,965
Accruals and deferred income	58,215	84,606	58,214	75,211
	1,044,372	881,196	1,030,596	845,346

Obligations under finance leases are secured over the assets to which they relate.

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Deferred income at 1 April 2024	-	212,273	-	212,273
Resources deferred during the year	450	-	450	-
Amounts released from previous periods	-	(212,273)	-	(212,273)
	450	-	450	-

Deferred income relates to grant/contract funding received in advance for the delivery of projects and services in the following year.

19. Creditors: Amounts falling due after more than one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Obligations under finance leases	20,183	-	20,183	-

Obligations under finance leases are secured over the assets to which they relate.

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Notes to the financial statements
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20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Tangible fixed assets	4,898,296	-	(179,137)	789,071	-	5,508,230
Domcare services	800,000	-	-	-	-	800,000
IT system investment	400,000	-	-	-	-	400,000
Community Hub project	500,000	-	-	-	-	500,000
Business development	500,000	-	-	-	-	500,000
	<u>7,098,296</u>	<u>-</u>	<u>(179,137)</u>	<u>789,071</u>	<u>-</u>	<u>7,708,230</u>
General funds						
General Funds	<u>7,574,790</u>	<u>10,363,188</u>	<u>(8,690,766)</u>	<u>(789,071)</u>	<u>13,341</u>	<u>8,471,482</u>
Total Unrestricted funds	<u>14,673,086</u>	<u>10,363,188</u>	<u>(8,869,903)</u>	<u>-</u>	<u>13,341</u>	<u>16,179,712</u>
Restricted funds						
Community Hub	-	100,000	(100,000)	-	-	-
Walsall Hub	-	78,529	(78,529)	-	-	-
Walsall Groups	-	9,954	(9,954)	-	-	-
CYP Commission	-	242,869	(242,869)	-	-	-
Freehold property - BMC	630,000	-	(14,000)	-	167,000	783,000
Oliver McGowan	23,000	-	-	-	-	23,000
	<u>653,000</u>	<u>431,352</u>	<u>(445,352)</u>	<u>-</u>	<u>167,000</u>	<u>806,000</u>
Total of funds	<u>15,326,086</u>	<u>10,794,540</u>	<u>(9,315,255)</u>	<u>-</u>	<u>180,341</u>	<u>16,985,712</u>

20. Statement of funds (continued)

Restricted funds

The Community Hub – a service for adults with learning disability, offering meaningful daytime opportunities and activities such as education, training and leisure. Staff consult individuals, their carers and families, to tailor services to suit their needs and wishes, arranging support and activities, and signposting to other relevant agents if necessary. 'You Choose' service is part of the Community Hub grant that gives information and advice, using person-centred approaches, to young people with learning disabilities in the transition period of moving from education to adult life. Staff helps the service-user to plan and organise their care support, exploring their options, in a culturally sensitive way to meet their everyday needs, and give practical advice in managing their finances.

The Walsall Hub – a service for all people with a learning disability, offering opportunities and activities such as education, leisure and training. The services are provided in a bespoke setting in Walsall town centre. Walsall City Council provides funding towards the building and clubs.

Walsall Groups – a service facilitating social groups for people with a learning disability funded by Walsall Council.

Children's Commissioned Services – offer short breaks usually in 2 hour blocks to family carers. This gives them some free time to pursue their own interests, secure in the knowledge that their dependent is professionally supported.

Park Ride – a Sports England funded project that facilitates an inclusive family cycling project that provides the whole family, regardless of age or need with the opportunity to enjoy the great outdoors together by using a range of adapted and mainstream bikes.

Birmingham Multi-Care Restricted income – Birmingham City Council funds the two respite care homes and the day centre to provide respite care and day time activities for Birmingham Multi-Care's citizens and carers.

Freehold property BMC represents the value of the properties held in the subsidiary, Birmingham Multi-Care Support Services Limited.

Oliver McGowan - funding to enable the delivery of the Oliver McGowan Mandatory Training (OMMT).

Midland Mencap**(A company limited by guarantee)****Notes to the financial statements****For the year ended 31 March 2025****20. Statement of funds (continued)****Statement of funds - prior year**

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Tangible fixed assets	5,010,904	-	(147,214)	34,606	-	4,898,296
Domcare services	800,000	-	-	-	-	800,000
IT system investment	400,000	-	-	-	-	400,000
Community Hub project	500,000	-	-	-	-	500,000
Business development	500,000	-	-	-	-	500,000
	<u>7,210,904</u>	<u>-</u>	<u>(147,214)</u>	<u>34,606</u>	<u>-</u>	<u>7,098,296</u>
General funds						
General Funds	<u>5,092,967</u>	<u>10,340,286</u>	<u>(8,168,810)</u>	<u>211,165</u>	<u>99,182</u>	<u>7,574,790</u>
Total Unrestricted funds	<u>12,303,871</u>	<u>10,340,286</u>	<u>(8,316,024)</u>	<u>245,771</u>	<u>99,182</u>	<u>14,673,086</u>

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20. Statement of funds (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Community Hub	-	100,000	(100,000)	-	-	-
Walsall Hub	-	78,529	(78,529)	-	-	-
Walsall Groups	-	7,000	(7,000)	-	-	-
CYP Commission	-	241,185	(241,185)	-	-	-
Park Ride	-	33,103	(33,103)	-	-	-
Birmingham Multi-Care	-	151,538	(151,538)	-	-	-
Freehold property - BMC	874,000	20,355	(18,584)	(245,771)	-	630,000
Oliver McGowan	-	23,000	-	-	-	23,000
	<u>874,000</u>	<u>654,710</u>	<u>(629,939)</u>	<u>(245,771)</u>	<u>-</u>	<u>653,000</u>
Total of funds	<u>13,177,871</u>	<u>10,994,996</u>	<u>(8,945,963)</u>	<u>-</u>	<u>99,182</u>	<u>15,326,086</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	5,508,230	783,000	6,291,230
Fixed asset investments	1,069,177	-	1,069,177
Current assets	10,672,132	23,000	10,695,132
Creditors due within one year	(1,049,644)	-	(1,049,644)
Creditors due in more than one year	(20,183)	-	(20,183)
Total	<u>16,179,712</u>	<u>806,000</u>	<u>16,985,712</u>

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Notes to the financial statements
For the year ended 31 March 2025

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	4,898,295	630,000	5,528,295
Fixed asset investments	1,033,158	-	1,033,158
Current assets	9,622,829	23,000	9,645,829
Creditors due within one year	(881,196)	-	(881,196)
Total	14,673,086	653,000	15,326,086

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £
Net income for the year (as per Statement of Financial Activities)	1,492,626	2,148,215
Adjustments for:		
Depreciation charges	193,138	166,156
(Gains)/losses on investments	(13,341)	(99,182)
Dividends, interests and rents from investments	(247,071)	(160,875)
Surplus on the sale of fixed assets	(12,500)	(20,355)
Increase in debtors	(143,912)	(21,020)
(Decrease)/increase in creditors	161,543	(151,987)
Net cash provided by operating activities	1,430,483	1,860,952

Notes to the financial statements
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23. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash at bank	1,548,746	3,117,803
Short term deposits	7,600,000	5,125,000
Cash in investment portfolio	3,494	-
Total cash and cash equivalents	9,152,240	8,242,803

24. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	New finance leases £	At 31 March 2025 £
Cash at bank and in hand	3,117,803	(1,569,057)	-	1,548,746
Finance leases	(7,205)	16,539	(43,627)	(34,293)
Short term deposits	5,125,000	2,475,000	-	7,600,000
	8,235,598	922,482	(43,627)	9,114,453

25. Capital commitments

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	300,000	383,368	300,000	383,368

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

The Charitable group contributes to group personal pension plans for certain employees. Midland Mencap continues to comply with Work Place Pensions law by making contributions to the new pension scheme for all eligible employees. All employees who qualify are automatically enrolled into the pension scheme. Those employees who are not automatically eligible are given the opportunity to opt into the pension scheme. The employer contribution is 3% in line with the Pension regulator requirements. The old pension scheme was closed to new entrants so it is set to remain stable or decrease as employees make career moves.

The pension cost charge represents contributions payable by the group to the fund and amounted to £124,735 (2024 - £125,736). Contributions totalling £Nil (2024 - £24,405) were payable to the fund at the balance sheet date and are included in other creditors.

27. Operating lease commitments

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	Group	Charity	Charity
	2025	2024	2025	2024
	£	£	£	£
Not later than 1 year	248,000	171,535	248,000	171,535
Later than 1 year and not later than 5 years	622,388	98,188	622,388	98,188
	870,388	269,723	870,388	269,723

28. Related party transactions

Birmingham Multi-Care Support Services Limited is a wholly owned subsidiary of Midland Mencap. For the year ended 31 March 2025, Midland Mencap provided all functions of financial services, strategic and operational management. Amounts charged to Birmingham Multi-Care Support Services Limited to cover these costs totalled £50,722 (2024 - £101,560). For the parent charitable company, the balance due from Birmingham Multi-Care Support Services Limited at the balance sheet date was £2,509 (2024 - £5,272).

Midland Mencap is a member of Forward Carers CIC and the CEO of Midland Mencap is a Board Director of the CIC and one of two subscribing members. The amount due to Midland Mencap at 31 March 2025 in respect of management charges was £Nil (2024 - £13,240).

Midland Mencap is a member of Pinewood Maintenance Limited, an estate maintenance service responsible for the upkeep of the charity's registered office. During the year, Midland Mencap paid service charges of £29,731 to Pinewood Maintenance Limited and received an annual management charge of £20,230.

Details of key management personnel remuneration can be found in note 12.

29. Controlling party

The ultimate controlling party of the Group is the Charity's Board of Trustees.

Notes to the financial statements
For the year ended 31 March 2025

30. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Principal activity
Birmingham Multi-Care Support Services Limited	02399075	Provision of care services to people in Birmingham who have multiple disabilities and respite to their parents and carers

The financial results of the subsidiary undertaking for the year were:

Name	Income	Expenditure	Net assets
	2025	2025	31 March
	£	£	£
Birmingham Multi-Care Support Services Limited	43,795	(262,942)	1,250,226

The subsidiary undertaking has the same registered office address as the parent Charity and is included in this consolidation.

MIDLAND MENCAP

England & Wales - Charity number 1043360

Accounts



Head Office
Pinewood
Bell Heath Way
Woodgate Business Park
Birmingham
B32 3BZ
T: 0121 442 2944
E: info@MidlandMencap.org.uk

Dains Audit Limited
2 Chamberlain Square
Paradise
Birmingham
B3 3AX

31 October 2024

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of Midland Mencap and its subsidiary undertaking ("the group") for the year ended 31 March 2024 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material aspects, (or give a true and fair view) in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Charities Statement of Recommended Practice (SORP).

We confirm that the following representations are made on the basis of enquiries of the trustees, management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you:

- 1 We have fulfilled our responsibilities as trustees under the Companies Act 2006 and Charities Act 2022 for preparing financial statements, in accordance with the applicable financial reporting framework. We confirm that in our opinion the financial statements give a true and fair view and in particular that where any additional information must be disclosed in order to give a true and fair view that information has in fact been disclosed. We confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate, and we approve these accounts for the year ended 31 March 2024.
- 2 We confirm that all accounting records have been made available to you for the purposes of your audit, in accordance with your terms of engagement, and that all transactions undertaken by the charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders' meetings, have been made available to you. We have given you unrestricted access to persons within the charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.
- 3 We acknowledge that it is a criminal offence to make a false statement in this regard, and where any trustee either makes a false statement; is aware that the statement is false; is reckless in preventing this statement; or fails to take reasonable steps to prevent the trustees' report from being approved, we acknowledge that each trustee will be guilty of a criminal offence.
- 4 We confirm that the charity is controlled by the trustees.
- 5 We confirm that the group has no liabilities, contingent liabilities or guarantees given to third parties other than those disclosed in the financial statements.

- 6 We confirm that there have been no events since the balance sheet date which require disclosing or which would materially affect the amounts in the financial statements, other than those already disclosed or included in the financial statements.
- 7 We confirm that the methods, significant assumptions and data used by us in making accounting estimates, and the related disclosures, are appropriate to achieve recognition, measurement or disclosure that is in accordance with the applicable financial reporting framework.
- 8 We confirm that all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Charities Statement of Recommended Practice (SORP).
- 9 We confirm that we are aware of the definition of a related party for the purpose of the accounting framework being applied in the preparation of the accounts. We confirm that there have been no material transactions with related parties, other than transactions with group undertakings which are not required to be disclosed.
- 10 We confirm that all related party relationships and transactions have been accounted for and disclosed in accordance with the applicable financial reporting framework, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Charities Statement of Recommended Practice (SORP).
- 11 We confirm that the charity neither had, at any time during the year, any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the charity) for trustees, nor provided guarantees of any kind on behalf of the trustees.
- 12 We confirm that the group has not contracted for any capital expenditure other than as disclosed in the financial statements.
- 13 We confirm that the group has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
- 14 We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charity conducts its business and which are central to the group's ability to conduct its business, except as explained to you and as disclosed in the financial statements.
- 15 We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud, and that we believe we have appropriately fulfilled these responsibilities. We confirm that we have disclosed to you the results of our risk assessment of the risk of fraud in the business. There have been no deficiencies in internal control of which we are aware.
- 16 We confirm that there have been no actual or suspected instances of fraud involving management, employees who have a significant role in internal control or others where the fraud could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by employees, former employees, analysts, regulators or others.
- 17 We confirm that, in our opinion, the group's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the group's needs. In reaching this conclusion, we have taken into account all relevant matters of which we are aware, including the availability of working capital and have

considered a future period of at least one year from the date on which the financial statements will be approved.

- 18 We confirm that we approve the adjusted items as detailed in the attached appendix.
- 19 We confirm that in our opinion the effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is detailed in the attached appendix.
- 20 The financial statements are free of material misstatements, including omissions.
- 21 We confirm that we have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.
- 22 We confirm the group has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
- 23 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.
- 24 We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:
 - so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware, and
 - each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.
 - the representations made are the best of our knowledge and belief.
- 25 We acknowledge that it is a criminal offence to knowingly or recklessly make you as an auditor, a statement (oral or written) that conveys, or purports to convey, information or explanations that you require in your capacity as auditor, or are entitled to require, that is misleading, false or deceptive in a material particular.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and expertise (and, where appropriate, of supporting documentation) sufficient to satisfy ourselves that we can properly make these representations to you and that to the best of our knowledge and belief they accurately reflect the representations made to you by the trustees during the course of your audit.

Yours faithfully

Signed on behalf of the board of trustees by:



M F Gallagher
Chair of Trustees

SUMMARY OF ADJUSTMENTS.

The Board should review the level of adjustments identified and obtain explanations for any adjustments which may remain unadjusted. The following adjustments have been processed during the course of our audit of the financial statements.

Midland Mencap	SOFA		Balance sheet		Surplus effect
	Dr £	Cr £	Dr £	Cr £	
Surplus per client's trial balance					1,875,394
Management adjustments					NIL
Audit adjustments					
Agree opening reserves to 2023 stats	3,424			3,424	(3,424)
PBO element of Community Wellbeing contract		137,680	137,680		137,680
Release unspent OG grant from deferred income to restricted funds		23,000	23,000		23,000
Holiday pay accrual	45,414			45,414	(45,414)
Surplus per draft financial statements					1,987,236
Investment portfolio gains					99,182
Surplus per draft financial statements					2,086,418
		SOFA	Balance sheet		Surplus effect

Birmingham Multi-Care Support Services

	Dr £	Cr £	Dr £	Cr £
Deficit per client's trial balance				£ (6,211)
Management adjustments				NIL
Audit adjustments				
Correction to accrued respite income (£32,292 posted wrong way around)		64,584	64,584	64,584
Surplus per draft financial statements				58,373

SUMMARY OF ADJUSTMENTS - PROPOSED.

The following are proposed adjustments we would like to bring to management's attention.

Management to confirm whether any of the below proposed adjustments should be processed in the financial statements.

	SOFA		Balance sheet		Surplus effect
	Dr £	Cr £	Dr £	Cr £	
Midland Mencap					
Surplus per draft financial statements					£ 2,086,418
Proposed audit adjustments					
Write off historical stock balance	1,187			1,187	(1,187)
Revised surplus per proposed financial statements					2,085,231

	SOFA		Balance sheet		Surplus effect
	Dr £	Cr £	Dr £	Cr £	
Birmingham Multi-Care Support Services					
Surplus per draft financial statements					£ 58,373
Proposed audit adjustments					
Bad debt provision	18,157			18,157	(18,157)
Correction to accrued respite income (BMC400018)	2,160			2,160	(2,160)
Revised surplus per proposed financial statements					38,056

Registered number: 03006451

Charity number: 1043360

Midland Mencap

Trustees' report and financial statements

For the year ended 31 March 2024



midland **mencap**

Midland Mencap
(A company limited by guarantee)

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Midland Mencap

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**Reference and administrative details of the Charitable Company, its Trustees and advisers
For the year ended 31 March 2024**

Trustees M F Gallagher, Chair
K Gujral
J Cleminson (resigned 15 March 2024)
Dr F M McConnell
N P Green
C S Proctor
N Smith
A H E Winter (appointed 12 March 2024)
M A Roberts (appointed 15 March 2024)
C Jones (appointed 15 March 2024)

Company registered number 03006451

Charity registered number 1043360

Registered office Unit E, Pinewood
Bell Heath Way
Woodgate Business Park
Birmingham
B32 3BZ

Chief executive officer D Rogers

Independent auditor Dains Audit Limited
2 Chamberlain Square
Paradise
Birmingham
B3 3AX

Bankers Unity Trust Bank
Four Brindley Place
Birmingham
B1 2JB

Midland Mencap

(A company limited by guarantee)

Chairman's statement

For the year ended 31 March 2024

The chairman presents his statement for the year.

Much of this year has been played out against the significant financial difficulties facing Birmingham City Council. Indeed, most of the local authority areas we operate in the presenting circumstance has been one of financial pressure and the need for efficiency savings. However, this has not deterred us from continuing to deliver our mission and our services have continued to deliver high quality outcomes to citizens and families as planned.

In addition, the ongoing developments with how the NHS is structured and delivers its services has been an important part of our work as we engage with new networks and form new strategic relationships. Firstly, with Integrated Care Boards (ICB) in the region, the entity that joins up health and care services, to improve people's health and wellbeing, and to make sure everyone has the same access to services and gets the same outcomes from treatment, care, or support. Perhaps more importantly is the forging of a strong collaborative relationship with the local Integrated Care Systems (ICS) which are partnerships that bring together NHS organisations, local authorities, the Voluntary, Community & Social Enterprise (VCSE) Sector and others to take collective responsibility for planning services, improving health and reducing inequalities across the region.

We have been successful in both positioning Midland Mencap in these new governance and operating systems as well as using our organisational reputation, skill, knowledge, experience to reinforce our status as a senior sector voice alongside colleagues from the statutory agencies. At a senior leadership level, we are representing both Midland Mencap and the wider sector on key strategic Boards and Forums and consequently engaged with senior colleagues from our statutory partnerships and collaboration work.

This has been a solid year of performance. Despite the external pressures bearing down on our frontline services they continue to deliver quality outcomes, perform to contract and in many instances deliver KPI's over and above expectation. We have seen encouraging growth in our services supporting children and young people, particularly in Coventry and Worcester. We have added additional tenancies to our impressive housing portfolio, delivered every hour of contracted care and support whilst seeing encouraging growth and development in our community health and wellbeing services. All of our services are experiencing increased demand which has seen us working hard to maximise or increase capacity across our portfolio of services balanced against funding pressures, the cost-of-living crisis and our own high standards.

Recruitment and retention remain a challenging issue across the Third Sector. Ensuring our workforce is a key strategic priority has been a significant focus of organisational management time throughout the year. Importantly, especially in the face of the cost-of-living crisis, the organisation is committed to paying the Real Living Wage. In addition, there is a consistent focus on recruitment which has seen the organisation stabilise its workforce with vacancy rates across the organisation below the national average. A very significant pressure on the organisation is the need to ensure legal compliance regarding the training of our workforce. New mandatory training for all staff has been introduced this year alongside the existing mandatory programme and refresher courses. Going forward no additional funding has been made available to run the necessary training courses. We pride ourselves on the capability, quality and capacity of our exemplary workforce and remain committed to offering high quality training even in these exceptionally challenging times.

Another strategic priority that has made great progress in the last twelve months has been developing meaningful approaches to co-production ensuring the citizen voice is at the heart of decision making. Significant effort and dedicated resources have been put into engagement and consultation with a citizen panel now feeding directly into the organisations Board. This work will continue to be a strategic priority going forward as we seek a closer alliance between citizens and the governance of the organisation.

Chairman's statement (continued)
For the year ended 31 March 2024

A priority of both the Executive and Non-Executive has been to closely monitor not only the external forces bearing down on the organisation but to also to ensure our internal systems and process are as lean and efficient as possible. To that end we have continued to develop a bespoke digital care management system connecting every colleague to our in-house system in real time. Additionally, we have invested in a new finance management system that will provide real time reporting, more efficient finance management processes and build a stronger operational relationship between finance oversight and budget holding managers.

We are very mindful of the potential future impact of funding decisions taken by our statutory partners over which we have little or no control. We have worked hard over preceding years to make the resourcing and delivery of our services as effective and efficient as possible. However, this is becoming increasingly difficult to achieve within the confines of the acute funding crisis in social care. We are already making key critical decisions relating to new business opportunities where we feel unable to deliver a service safely or offer quality and added value with the revenue funding available. The unrelenting squeeze on funding no longer meets our well managed organisational costs and without more money moving to social care from central Government our capacity to deliver high quality services will diminish.



M F Gallagher - Chair of Trustees

Date: 31 October 2024

Midland Mencap

(A company limited by guarantee)

Trustees' report

For the year ended 31 March 2024

The Trustees present their annual report together with the audited financial statements of the Midland Mencap for the year 1 April 2023 to 31 March 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Mission

Midland Mencap works and campaigns for accessible and inclusive service and a better quality of life for everyone with experience of learning disability by advancing the views, needs and ambitions of people with experience of learning disability, promoting inclusion through challenging prejudice and discrimination, influencing social policy through campaigning, inspiring, developing and delivering innovative quality services, which express inclusion, integration, expressed need and diversity and achieving equality of civil and legal rights through campaigning.

Objectives and activities

a. Policies and objectives

The current organisational strategy continues to steer the organisation against a backdrop of extreme challenges and uncertainty of funding that is facing the Third Sector. However, Midland Mencap continues to deliver a progressive and solution based strategy that continues to identify opportunities for growth in our service delivery in order to best serve people with disabilities and their families and carers regardless of age, gender and ethnicity. In delivering Midland Mencap's aims and objectives we will endeavour:

- To consolidate Midland Mencap's position as a leading disability provider in the West Midlands.
- To embed the recent governance changes within our offer to citizens and families that both strengthen and broaden access to Midland Mencap's three core offers.
- To further develop the robustness and effectiveness of the organisation's governance with ongoing commitment to Board development and trustee recruitment.
- To be a sector lead in the delivery of Universal Prevention Services.
- To align our Housing with Care & Support offer to proposed Prevention First and lifestyle commissioning of social care and Public Health.
- To position Midland Mencap core services with regional local authorities, West Midlands Combined Authority and other prospective funders.
- To work with partner organisations in securing Community Asset Transfer opportunities and mergers where they are consistent with Midland Mencap's core mission.
- To deliver on the expectations of our registration on Birmingham City Council's Business Charter for Social Responsibility.
- To continue to invest in our Housing provision.
- Working with citizens and family carers, as key partners, continue developing the organisational community offer promoting inclusion, well-being, and active lifestyles relevant to changing needs and rising demand.
- To continue to explore and diversify our funding streams in order to ensure continuity of projects that promote the core mission of Midland Mencap.
- To continue to explore and develop IT advancement and systems that promotes productivity and smooth delivery of our services.

Midland Mencap

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Trustees' report (continued)

For the year ended 31 March 2024

Objectives and activities (continued)

- To continue to deliver a comprehensive volunteering strategy that meets the core mission of Midland Mencap.
- To maximise the use of marketing and social media to achieve recognition that promotes the work of Midland Mencap.
- To modernise and streamline the way we work.
- To raise more income through our fundraising and the development of corporate relationships.
- To continue to build capacity and resilience of our subsidiary organisation.
- To focus on our expertise and obtaining necessary expertise as a base for entering new market segments.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Trustees always ensure that their strategic and operational objectives are carried out for the public benefit. This is achieved through the provision of a wide range of services to people with learning disabilities. This annual report demonstrates how Midland Mencap has spent funds available towards meeting its charitable objectives.

Achievements and performance

a. Main achievements of the Charitable Company

This has been another challenging year for the sector. The impact of the cost-of-living crisis, maintaining our real living wage status, significant financial stress in most local authority social care budgets and increased demand on services have significantly impacted service delivery for the provider sector. Over many years we have worked hard to ensure efficiency in our costs without reducing either the scale or quality of the support services we provide. Considerable work goes into setting budgets, managing resources, and controlling the organisations reserves to maximise outcomes and outputs. Year on year this has become harder to achieve and going forward Government must urgently address a fair and sustainable funding commitment to avert a growing threat of sector collapse. The following text offers an overview of our key areas of activity.

Housing Care & Support

The operating environment remains challenging due to the local authority's financial constraints, with social workers aiming to reduce care package sizes during reassessments. Over the past 12 months, the Domiciliary Care department has fully integrated all remaining Birmingham Multicare staff and citizens into the service. Midland Mencap presently provides care to 138 citizens, delivering a total of 4,875 hours of service per week. The department has also expanded its management team by adding a Domiciliary Care Manager and a Senior Care Coordinator.

This year, the removal of a legacy NHS grant, low occupancy rates, and high infrastructure costs led to the unavoidable closure of two respite care homes. Discussions with the NHS are ongoing regarding the disposal of one of these properties. However, the organisation has purchased an additional bungalow, which has undergone extensive renovations and will soon accommodate three citizens. Another property has been identified and is currently under offer as part of the organisation's expansion plans.

Separately, the Community Wellbeing Service has delivered 98,061 preventative hours of support to 382 citizens at any given time, with 121 referrals received this calendar year. The PURE service (employability) was the city's top-ranked provider out of nine in 2023/2024 and successfully hosted high-profile participant events at the WCCC, St Andrews, and the Library of Birmingham. We are awaiting news on commissioning intentions for PURE post-March 2025.

The Carers Emergency Response Service (CERS) team remains in high demand and has recently recruited a service manager and officer to fill vacant roles. As of September 2024, the CERS service has 1,537 registered carers.

Children Services

Children Services have continued to develop and deliver a robust regional service across Birmingham, Coventry, North Warwickshire, and Worcester, for children and young people with disabilities. During the period between 2023-2024, across Birmingham, the CYP team have increased delivery, providing 9,251 hours working with over 120 children and young people, incorporating weekend, evening, holiday, and after-school provision. The increase in delivery has meant the staff team have expanded from 25 frontline staff to 50 across the period.

Similarly, there has been significant development of provision within the Coventry and North Warwickshire region, observing a triple figure increase of 2749 in delivery across the year, supporting 24 children and young people and increasing the staff team to 13 frontline staff. Excitingly, Ofsted registration was applied for the Coventry provision during this period.

Midland Mencap

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Trustees' report (continued)

For the year ended 31 March 2024

Achievements and performance (continued)

The Worcester short breaks service has seen an increase in provision delivering to 15 children across the region. Operating at full capacity, the CYP team have strived to continue to deliver an inclusive and accessible service provision, developing partnerships and community networks within each region's locality, enabling a solid foundation for long-term sustainability.

Community Support Services

The Community Hub has had an exceptionally busy year; the café at the Weoley Castle Community Centre was refurbished and relaunched as the Happy Bean café and is now open to the public. The activity offer, especially sport has grown, which has resulted in a large increase in citizens around 300. The service continues to work with other local assets and embraces co-production and an ABCD (Asset Based Community Development) approach to development.

Asha Community Project, The team has grown from 2 to 4 staff, who continue to support 6 ladies from the South Asian community to access a range of local and cultural and gender specific, which the ladies of the services direct through a person-centred approach.

The Family Carers Wellbeing Team, The team has had another successful year of supporting unpaid family carers and have continued to receive strong feedback on the quality of their Statutory Carers Assessments. They have worked with more 400 unpaid carers in different ways, from assessments, to support groups, workshops and events.

Short Breaks for Parent-Carers of Disabled Children, The brokerage service has continued to support 13 local network partners to deliver short breaks to around 900 children with mild disabilities and additional needs.

Walsall Disability Hub, The Hub has become more busy than last year, an increase in new citizens and activities delivered to around 200 citizens. Work to co-join the Carers Hub with the work of the Disability Hub has proved successful with joint events during key events like Carers Week and Learning Disability week a great success.

Walsall Carers Hub, The Carers Hub is performing well and reaching new carers. There are now around 3,000 carers and has successfully held large scale events like the Carers Week Event on behalf of the local authority, which was highly praised by the Commissioners. The team continue to innovate with partners to offer new and refreshed activities like regular Citizen Voice sessions to ensure Carers are shaping the service offer.

Parkride continues to deliver high volumes of accessible opportunities across the region. Parkride is now the leading inclusive cycling scheme and remains in the eyeline of key funders in support of wider public health and wellbeing strategies.

On **social media**, we adopted a more structured and consistent approach. We focused on making our online content easier to understand by using clear language in posts and adding Alt text to images. Alt text, which is a brief description of an image, helps people understand what's shown, making our content more accessible. Thanks to these changes, we saw significant growth on Facebook: a 397% increase in reach, 172% more engagement, and a 115% rise in video minutes watched compared to last year.

Looking ahead, we see an opportunity to use online advertising to reach a wider and more targeted audience. With ads, we can expand our reach and bring more people into Midland Mencap services and community.

Achievements and performance (continued)

In September, Midland Mencap launched weekly digital workshops for people with learning disabilities to build their digital skills and learn how to create online content. Participants have covered key topics, including online safety, content planning, editing, and uploading online. One highlight of the workshops was working with West Midlands Police to make videos on Hate Crime Awareness, empowering participants to use their voices for change. Another success was a Makaton Christmas video, which received over 10,000 views on TikTok, showing the impact of inclusive content.

Finally, we helped the Midland Mencap Football Team raise over £2,000 for new kits through a combination of online fundraising campaigns and in-person events like a quiz night. This success highlights the power of our digital platforms to bring people together and achieve important goals.

Overall, this year's digital efforts have strengthened Midland Mencap's online presence, moving us closer to a more inclusive and engaged community."

Business Development

Due to the high demand for funding from Trusts and Grants, criteria have become more stringent, making Midland Mencap ineligible for many funding streams.

Despite this, we have achieved some success with Local Authority funding. From Birmingham HAF fund we secured £2,416 for delivering two CYP sessions, an equipment grant of £975, and sports kit valued at approximately £450, totalling £3,436. We received £9,300 from the Shared Prosperity Fund to deliver Parkride in North Birmingham. Additionally, Midland Mencap received £1,000 from the Barclay Football Fund for staff training.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

Over the last fifteen years Midland Mencap has built up substantial assets and cash reserves. The Trustees and Executive team recognise that though the level of reserves provides the charity with significant financial security it also potentially inhibits relationships with existing or potential funders.

Having a reserves policy and clear explanations on why reserves are held at particular levels is a key part of the internal financial management of the organisation allowing the Trustees and management team to manage resources effectively and plan for the future.

Free reserves are the funds Midland Mencap can expend on any of its charitable purposes without external restrictions from funders. This does however exclude restricted funds as these must be spent for a specific purpose that it was initially intended by the funder. The free reserves also exclude the organisation's tangible fixed assets held for the the charity's own use. This is because these assets are used by Midland Mencap to deliver activities and as such will not be instantly be converted to cash in order to meet a funding deficit should such need arise. In addition to this, designated funds are also excluded from free reserves. The designated funds are set aside to meet essential and specific short to medium term liabilities and projects that advance the organisation's charitable aims and objectives.

Therefore Midland Mencap's strategic plans have and will be developed to utilise the remaining free reserves to:

- Protect the financial stability of the organisation.
- Invest in IT infrastructure that will ensure efficient and effective operational processes.
- Facilitate the strategic and planned investment in growing our Community Hub offer to ensure its self sustainability and wider reach.
- Allow the organisation to operate uninterrupted services in the event of funding delay or substantial funding cuts.
- Fund the organisation's growth strategy especially for new geographical areas.

Further to the use of free reserves outlined above, below are the details of the circumstances in which the free reserves will be utilised:

- To ensure funds are available for unforeseen emergencies or other unexpected needs, for example unexpected property repairs or funding for an urgent project opportunities.
- Unforeseen day to day operational costs.
- Grant income not being renewed.
- Planned commitments which may need higher levels of reserves.
- Funds to allow for increased beneficiary need.
- The need to fund short-term deficits in a cash budget, for example, money may need to be spent before funding is received.
- Staff retention

Midland Mencap

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Trustees' report (continued)

For the year ended 31 March 2024

The group's consolidated total reserves at 31 March 2024 were £15,326,086 (2023 - £13,177,871). £5,528,295 (2023 - £5,884,904) of this is represented by tangible fixed assets held for charitable use, £630,000 (2023 - £874,000) of which is restricted funds, and a further £2,200,000 (2023 - £2,200,000) is designated funds (details given under financial review), which leaves the group with free reserves of £7,575,790 (2023 - £5,092,967) as at 31 March 2024 - equivalent to 9 months' worth of current staff salaries.

The Trustees consider that the current level of reserves will ensure that, in the event of a significant drop in funding, they will be able to continue the Charitable Company's current activities whilst consideration is given to ways in which additional funds may be raised. The reserves levels are monitored and maintained throughout the year.

c. Review of financial position

Midland Mencap continues to hold 100% stake in its subsidiary, Birmingham Multi-Care Support Services. This is a charitable company, limited by guarantee, whose mission, values, objectives and activities align with those of Midland Mencap. As such the Midland Mencap financial statements are reported as consolidated accounts in accordance with relevant Accounting Standards.

The total consolidated income of £10,994,996 (2023 - £9,608,511) included £580,242 (2023 - £827,214) income from the subsidiary and the total expenditure of £8,945,963 (2023 - £8,352,467) included £521,869 of subsidiary expenditure (2023 - £775,460). The subsidiary reported a surplus of £58,373 (2023 - £5,800) and the overall group performance reported a surplus of £2,148,215 (2023 - £1,203,554). The consolidated total reserves stood at £15,326,086 (2023 - £13,177,871). The group continues to have sufficient cash flows to carry out its charitable objectives.

As explained in the reserves policy below, some reserves have been designated to meet planned expenditure and projects expected to be undertaken in the coming financial year. £2.2m (2023 - £2.2m) has been designated to Domcare, new business development to ensure funding diversification and funding the growth and sustainability of Midland Mencap's Community services in the face of funding cuts against an increased demand for services.

The £653k (2023 - £874k) in restricted reserves is largely attributable to Birmingham Multi-Care properties with a provision that the monies be repaid to the trust, local and central government departments should certain conditions not be met.

d. Risk factors

The board of Trustees continually assess the risks to which the charity is exposed and systems have been put in place to mitigate these risks. Internal controls have been put in place to minimise operational risks by implementing an active and rigorous policy on safeguarding and health and safety procedures. Internal financial risks have been minimised by continual review and implementation of authorisation and monitoring of all transactions. Risks to future income and expenditure levels are monitored by setting annual budgets and monitoring actual performance on a monthly basis and this is reported to trustees at every board meeting. Where significant financial risk still remains, the board has ensured proper insurance cover.

Structure, governance and management

a. Constitution

Midland Mencap is registered as a charitable company limited by guarantee and not having share capital, incorporated in January 1995 and registered as a charity. The Charitable Company was established by its Memorandum of Association, which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The Memorandum and Articles of Association were amended and a resolution was passed at a Special General Meeting held on 31 October 2018. The Charity Commission has also approved the amendments to the governing documents.

b. Methods of appointment or election of Trustees

The management of the Group and the Charitable Company is the responsibility of the Trustees who are elected and co-opted under the Articles of Association.

None of the Trustees have any beneficial interest in the Charitable Company. All of the Trustees are members of the Company. The Trustees and other members guarantee to contribute £1 in the event of an insolvent winding up.

When recruiting new Trustees the existing Trustees look for those individuals whose skills and experience can make a significant contribution to the management of the Charitable Company.

All new Trustees are made aware of their responsibilities as Charity Trustees and Company Directors and are helped to familiarise themselves with the practical and financial aspects of the Charitable Company's operations. To help them they are provided with a copy of the Company's Memorandum and Articles of Association, the latest published accounts, the Charitable Company's mission statement and appropriate Charity Commission publications.

c. Organisational structure and decision-making policies

The business of the Charity is managed by the Trustees acting as members and the Executive Committee. The Committee consists of the honorary officers of the Charity; up to twelve other members are appointed by the Board. The number of Executive Committee members may not be less than eight.

On 31 October 2018 a special general meeting was held to pass a special resolution allowing the Charity to now be governed by the revised Memorandum and Articles of Association. The Charity Commission has approved amendments to the organisation's Memorandum and Articles of Association and Charity's Objectives.

The Board of Trustees continues to delegate the responsibility for the day to day management of the Charity business to the Chief Executive and the senior management team. There is a clear distinction between the roles of the trustees and the senior management team. The senior management team is responsible for the production of strategic and operational plans, policies and budgets which are presented to the board of trustees for consideration, approval and monitoring. Board meetings are held regularly in order to update the Trustees on the activities and financial performance of the Charity.

d. Related party relationships

The Charity is affiliated to Royal Mencap, Mencap National Centre, 123 Golden Lane, London, EC1Y 0RT.

Midland Mencap

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 March 2024

Structure, governance and management (continued)

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Charitable Company are exposed, in particular those related to the operations and finances of the Group and the Charitable Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

Future Strategic Objectives

- Publish a refreshed and fully costed organisational strategic plan for the period 2025 – 2028
- Continue to seek viable business development opportunities across the region whilst at the same time put in place a funded plan to both consolidate and insulate existing service provision against external economic pressures
- During this period to increase the tenancies within our housing stock by eight through the purchase and refurbishment of properties from the residential housing market
- In conjunction with an accredited delivery partner deliver an in-house management and personal development pathway for first in line managers
- Continue to build our model of co-production further aligning citizen influence with the organisations governance
- Continue to build key strategic and collaborative partnerships with both statutory and Voluntary, Community & Social Enterprise (VCSE) Sector.

Engagement with employees and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Group and the Charitable Company carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees.

The Group and the Charitable Company have implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Group and the Charitable Company's equal opportunities policy, the Group and the Charitable Company have long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Charitable Company's offices.

Midland Mencap aims to pay salaries that are fair and competitive within the charity sector in order to retain qualified staff. From January 2023, the Board took the decision to introduce the real living wage ahead of a May 2023 deadline. Remuneration of the senior management team is set and approved by the Board of Trustees' who benchmark their decision based on pay levels of similar sized charities.

Midland Mencap
(A company limited by guarantee)

Trustees' report (continued)
For the year ended 31 March 2024

Engagement with employees and employment of the disabled (continued)

Our key management personnel are the Chief Executive, Director of Operations, Head of Housing Care and support, Deputy Director of Operations and Head of Finance.

Midland Mencap is committed to paying the Real Living Wage as set by Birmingham Business Charter.

Disclosure of information to auditor

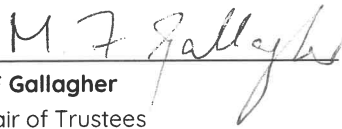
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

Auditor

Dains Audit Limited were appointed during the year and have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 31 October 2024 and signed on their behalf by:


M F Gallagher
Chair of Trustees

Midland Mencap

(A company limited by guarantee)

Independent auditor's report to the Members of Midland Mencap

Opinion

We have audited the financial statements of Midland Mencap (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charitable Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the Members of Midland Mencap (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Independent auditor's report to the Members of Midland Mencap (continued)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and the parent charitable company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and the parent charitable company, including the financial reporting legislation, Companies Act 2006, Charities Act 2011, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Midland Mencap

(A company limited by guarantee)

Independent auditor's report to the Members of Midland Mencap (continued)

We assessed the susceptibility of the group and the parent charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the group's and parent charitable company's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Other matters

The financial statements of the Group and the parent Charitable Company for the year ended 31 March 2023 were audited by Haines Watts Birmingham LLP who expressed an unmodified opinion on those financial statements on 26 October 2023.

Midland Mencap
(A company limited by guarantee)

Independent auditor's report to the Members of Midland Mencap (continued)

Use of our report

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

Andrew Morris FCA (Senior statutory auditor)

for and on behalf of

Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

31 October 2024

Midland Mencap
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	479,063	634,355	1,113,418	920,981
Charitable activities	4	9,669,660	-	9,669,660	8,562,520
Other trading activities	5	16,629	-	16,629	8,318
Investments	6	160,875	-	160,875	109,897
Other income	7	14,059	20,355	34,414	6,795
Total income		10,340,286	654,710	10,994,996	9,608,511
Expenditure on:					
Raising funds	8	24,096	-	24,096	-
Charitable activities	9	8,291,928	629,939	8,921,867	8,352,467
Total expenditure		8,316,024	629,939	8,945,963	8,352,467
Net income before investments		2,024,262	24,771	2,049,033	1,256,044
Net gains/(losses) on investments		99,182	-	99,182	(52,490)
Net income		2,123,444	24,771	2,148,215	1,203,554
Transfers between funds	19	245,771	(245,771)	-	-
Net movement in funds		2,369,215	(221,000)	2,148,215	1,203,554
Reconciliation of funds:					
Total funds brought forward	19	12,303,871	874,000	13,177,871	11,974,317
Net movement in funds		2,369,215	(221,000)	2,148,215	1,203,554
Total funds carried forward	19	14,673,086	653,000	15,326,086	13,177,871

The notes on pages 23 to 48 form part of these financial statements.

Midland Mencap
(A company limited by guarantee)
Registered number: 03006451

Consolidated balance sheet
As at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	5,528,295	5,884,904
Investments	15	1,033,158	921,841
		<u>6,561,453</u>	<u>6,806,745</u>
Current assets			
Stocks		1,187	1,187
Debtors	16	1,401,839	1,380,819
Investments	17	5,125,000	900,000
Cash at bank and in hand		3,117,803	5,122,304
		<u>9,645,829</u>	<u>7,404,310</u>
Creditors: amounts falling due within one year	18	(881,196)	(1,033,184)
Net current assets		<u>8,764,633</u>	<u>6,371,126</u>
Total net assets		<u><u>15,326,086</u></u>	<u><u>13,177,871</u></u>
Charity funds			
Restricted funds	19	653,000	874,000
Unrestricted funds	19	14,673,086	12,303,871
Total funds		<u><u>15,326,086</u></u>	<u><u>13,177,871</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


M F Gallagher
Chair of Trustees

Date: 31 October 2024

The notes on pages 23 to 48 form part of these financial statements.

Midland Mencap
(A company limited by guarantee)
Registered number: 03006451

Charity balance sheet
As at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	4,898,296	5,010,545
Investments	15	1,033,158	921,841
		<u>5,931,454</u>	<u>5,932,386</u>
Current assets			
Stocks		1,187	1,187
Debtors	16	1,312,139	1,203,407
Investments	17	5,125,000	900,000
Cash at bank and in hand		2,499,280	4,850,113
		<u>8,937,606</u>	<u>6,954,707</u>
Creditors: amounts falling due within one year	18	(845,346)	(949,798)
Net current assets		<u>8,092,260</u>	<u>6,004,909</u>
Total net assets		<u><u>14,023,714</u></u>	<u><u>11,937,295</u></u>
Charity funds			
Restricted funds		23,000	-
Unrestricted funds		14,000,714	11,937,295
Total funds		<u><u>14,023,714</u></u>	<u><u>11,937,295</u></u>

The Charitable Company's net movement in funds for the year was £2,086,419 (2023 - £1,204,050).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


M F Gallagher
Chair of Trustees

Date: 31 October 2024

The notes on pages 23 to 48 form part of these financial statements.

Midland Mencap
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	21	1,860,952	1,254,525
Cash flows from investing activities			
Dividends, interests and rents from investments		160,875	109,897
Proceeds from the sale of tangible fixed assets		245,772	-
Purchase of tangible fixed assets		(34,965)	(2,538,438)
Proceeds from sale of investments		123,816	140,255
Purchase of listed investments		(135,951)	(147,751)
Net cash provided by/(used in) investing activities		359,547	(2,436,037)
Cash flows from financing activities			
Repayments of finance leases		-	(2,529)
Net cash provided by/(used in) financing activities		-	(2,529)
Change in cash and cash equivalents in the year		2,220,499	(1,184,041)
Cash and cash equivalents at the beginning of the year		6,022,304	7,206,345
Cash and cash equivalents at the end of the year	22	8,242,803	6,022,304

The notes on pages 23 to 48 form part of these financial statements

Midland Mencap

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 March 2024

1. General information

Midland Mencap is a charitable company incorporated under the Companies Act in England and Wales and registered with the Charity Commission for England and Wales. The registered number and address of the registered office are given in the reference and administration section of these financial statements.

The nature of the charity's operations and principal activities are to provide a wide range of services to people with learning disabilities, which include Home Support, Supported Living, and the Carers Emergency Response Service (CERS) under the charity's CQC registered domiciliary care services, Learning Disability Community Wellbeing Service (CWS), Sitting Service, Placing Vulnerable Urban Residents into Employment and Training (PURE) and Housing Management Services.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Midland Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charitable Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charitable Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Group and the parent charitable company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the Group and the parent charitable company has adequate resources and liquid funds sufficient to support its cash flow requirements and to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts donated for resale are included as income when they are sold.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy, the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest rate method and dividend income is recognised as the charitable company's right to receive payment is established.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the Charity earns the right to consideration due by its satisfaction of performance obligations.

Income received through contracts is recognised from the point in which the Charitable Company has entitlement to the funds, contract conditions have been fully met or it is probable that the income will be received.

Where grant funding agreements contain conditions that specify the services to be performed in the form of a service level agreement, the conditions for payment are linked to the achievement of a particular level of service or the units of output delivered. Income must only be recognised to the extent that the Charity has provided the specified services as entitlement to the grant only occurs when the performance-related conditions are met.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and costs linked to the strategic management of the Charity.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

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

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Individual freehold properties are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a Charitable Company may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Consolidated statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

At each reporting date the Charitable Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2% straight-line
Leasehold property	- over the term of the lease
Leasehold property improvements	- 10% straight-line
Motor vehicles	- 25% straight-line
Fixtures and fittings	- 10% - 35% straight-line
Office equipment	- 10% - 35% straight-line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value. Donated items not yet sold are not included.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Current asset investments

Current asset investments includes cash on deposit with a maturity date of less than one year held for short-term investment purposes rather than cashflow. Current asset investments are valued at fair value unless they qualify as 'basic' financial assets.

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2. Accounting policies (continued)

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Charity. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.16 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.17 Pensions

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.18 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. Accounting policies (continued)

Critical accounting estimates and areas of judgement

In the application of the Group'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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

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.

Critical accounting estimates and assumptions:

Depreciation - Useful economic life and residual value

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing the useful economic lives of assets, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values, and plans to dispose of an asset before the previously expected date.

3. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	3,238	-	3,238
Grants	475,825	634,355	1,110,180
	<u>479,063</u>	<u>634,355</u>	<u>1,113,418</u>
	<u><u>479,063</u></u>	<u><u>634,355</u></u>	<u><u>1,113,418</u></u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	7,897	-	7,897
Grants	370,736	542,348	913,084
	<u>378,633</u>	<u>542,348</u>	<u>920,981</u>
	<u><u>378,633</u></u>	<u><u>542,348</u></u>	<u><u>920,981</u></u>

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Domiciliary care fees	4,754,107	4,754,107	4,598,873
HB & Residents contributions	2,480,067	2,480,067	1,789,427
Carers activities (Forward carers)	883,170	883,170	840,443
Activity and travel contributions	713,235	713,235	704,243
Supporting people	659,698	659,698	507,368
Other contributions	126,006	126,006	85,991
PA service	53,377	53,377	36,175
	<u>9,669,660</u>	<u>9,669,660</u>	<u>8,562,520</u>

The income in 2023 was wholly attributable to unrestricted funds.

5. Income from other trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Café and bar	13,529	13,529	8,318
Room lettings	3,100	3,100	-
	<u>16,629</u>	<u>16,629</u>	<u>8,318</u>

The income in 2023 was wholly attributable to unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2024

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	42,614	42,614	47,066
Income from listed investments	18,868	18,868	14,062
Interest receivable	99,393	99,393	48,769
	<u>160,875</u>	<u>160,875</u>	<u>109,897</u>

The income in 2023 was wholly attributable to unrestricted funds.

7. Other incoming resources

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Miscellaneous income	14,059	-	14,059
Surplus on disposal of fixed assets	-	20,355	20,355
	<u>14,059</u>	<u>20,355</u>	<u>34,414</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Miscellaneous income	<u>6,795</u>	<u>6,795</u>

8. Expenditure on raising funds

Direct fundraising costs

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Café and bar	17,363	17,363	-
Investment management fees	6,733	6,733	-
	<u>24,096</u>	<u>24,096</u>	<u>-</u>

The expenditure in 2023 was wholly attributable to unrestricted funds.

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Domiciliary care, supported living, wellbeing and other care services	<u>8,291,928</u>	<u>629,939</u>	<u>8,921,867</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Domiciliary care, supported living, wellbeing and other care services	<u>7,791,119</u>	<u>561,348</u>	<u>8,352,467</u>

10. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Domiciliary care, supported living, wellbeing and other care services	7,951,745	970,122	8,921,867

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Domiciliary care, supported living, wellbeing and other care services	7,296,923	1,055,544	8,352,467

Analysis of direct costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	7,353,031	6,703,921
Depreciation	166,156	167,236
Staff training, recruitment and other staff costs	60,659	72,814
Subcontracting and agency	258,570	226,028
Service delivery	113,329	126,924
	7,951,745	7,296,923

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Printing, postage, stationery and equipment	106,577	99,332
Cleaning costs	54,345	45,153
IT equipment, software and maintenance costs	208,809	167,487
Repairs and renewals	100,008	98,098
Utility costs	76,741	95,556
Rent and rates	230,209	301,210
Licences and subscriptions	27,054	20,709
Legal and professional	66,391	36,917
Insurance	55,943	60,572
Bank charges	4,542	5,068
Advertising	4,496	8,475
Governance costs	35,007	116,967
	970,122	1,055,544

11. Net income for the year

Net income for the Group is stated after charging:

	2024 £	2023 £
Rentals on operating leases	212,281	278,883
Auditor's remuneration	27,600	26,352
Depreciation of tangible fixed assets	166,156	167,236

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Notes to the financial statements For the year ended 31 March 2024

12. Staff costs

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Wages and salaries	6,734,774	6,142,438	6,419,355	5,566,170
Social security costs	492,521	449,365	468,256	412,081
Pension costs	125,736	112,118	120,278	102,967
	7,353,031	6,703,921	7,007,889	6,081,218

The average number of persons employed by the Charitable Company during the year was as follows:

	Group 2024	Group 2023	Charity 2024	Charity 2023
	No.	No.	No.	No.
Management	20	15	20	15
Operational	297	351	267	296
Administration	28	17	28	17
	345	383	315	328

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024	Group 2023
	No.	No.
In the band £60,001 - £70,000	-	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	2	-
In the band £100,001 - £110,000	-	1

The key management personnel of the charity consists of the trustees and the senior management team. The total amount of employee benefits received by key management personnel is £400,828 (2023 - £469,362).

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, travel expenses totalling £27 were reimbursed to 1 Trustee (2023 - £277).

Notes to the financial statements
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14. Tangible fixed assets

Group

	Freehold property £	Leasehold property £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2023	6,062,397	659,341	255,639	346,538	40,889	7,364,804
Additions	-	24,589	8,936	1,440	-	34,965
Disposals	(250,000)	-	-	-	-	(250,000)
At 31 March 2024	5,812,397	683,930	264,575	347,978	40,889	7,149,769
Depreciation						
At 1 April 2023	306,656	597,323	228,003	314,069	33,849	1,479,900
Charge for the year	120,831	12,386	16,324	11,933	4,683	166,157
On disposals	(24,583)	-	-	-	-	(24,583)
At 31 March 2024	402,904	609,709	244,327	326,002	38,532	1,621,474
Net book value						
At 31 March 2024	5,409,493	74,221	20,248	21,976	2,357	5,528,295
At 31 March 2023	5,755,741	62,018	27,636	32,469	7,040	5,884,904

Freehold property includes two care homes, 4 Greswolde Park Road and 7 Silver Birch Road. These properties were revalued in August 2019 at £350,000 each by an independent property services and estate agency company based on open market value.

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14. Tangible fixed assets (continued)

Charity

	Freehold property £	Leasehold property £	Office equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2023	5,112,397	659,341	251,580	344,888	40,889	6,409,095
Additions	-	24,589	8,936	1,440	-	34,965
At 31 March 2024	<u>5,112,397</u>	<u>683,930</u>	<u>260,516</u>	<u>346,328</u>	<u>40,889</u>	<u>6,444,060</u>
Depreciation						
At 1 April 2023	230,657	597,323	224,305	312,416	33,849	1,398,550
Charge for the year	102,247	12,386	15,965	11,933	4,683	147,214
At 31 March 2024	<u>332,904</u>	<u>609,709</u>	<u>240,270</u>	<u>324,349</u>	<u>38,532</u>	<u>1,545,764</u>
Net book value						
At 31 March 2024	<u><u>4,779,493</u></u>	<u><u>74,221</u></u>	<u><u>20,246</u></u>	<u><u>21,979</u></u>	<u><u>2,357</u></u>	<u><u>4,898,296</u></u>
At 31 March 2023	<u><u>4,881,740</u></u>	<u><u>62,018</u></u>	<u><u>27,275</u></u>	<u><u>32,472</u></u>	<u><u>7,040</u></u>	<u><u>5,010,545</u></u>

Freehold property includes £375,257 for the cost of land, which is not depreciated.

15. Fixed asset investments

Group and Charity	Listed investments £	Cash in portfolio £	Total £
Market value			
At 1 April 2023	917,066	4,775	921,841
Additions	135,951	(135,951)	-
Disposals	(129,721)	125,270	(4,451)
Revaluations	103,633	-	103,633
Income net of fees	-	12,135	12,135
At 31 March 2024	<u>1,026,929</u>	<u>6,229</u>	<u>1,033,158</u>

The historical cost of investments at 31 March 2024 was £1,002,301 (2023 - £870,117).

16. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	799,507	942,456	740,374	808,435
Amounts owed by group undertakings	-	-	5,272	-
Other debtors	25,309	-	23,147	-
Prepayments and accrued income	577,023	438,363	543,346	394,972
	<u>1,401,839</u>	<u>1,380,819</u>	<u>1,312,139</u>	<u>1,203,407</u>

17. Current asset investments

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Short-term deposits	5,125,000	900,000	5,125,000	900,000

Notes to the financial statements
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18. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	82,123	-	81,532	119,377
Other taxation and social security	120,533	111,352	112,433	102,820
Obligations under finance leases	7,205	-	7,205	-
Other creditors	586,729	623,560	568,965	442,977
Accruals and deferred income	84,606	298,272	75,211	284,624
	881,196	1,033,184	845,346	949,798

Obligations under finance lease are secured over the assets to which they relate.

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Deferred income at 1 April 2023	212,273	20,110	212,273	20,110
Resources deferred during the year	-	212,273	-	212,273
Amounts released from previous periods	(212,273)	(20,110)	(212,273)	(20,110)
	-	212,273	-	212,273

Deferred income relates to grant/contract funding received in advance for the delivery of projects and services in the following year.

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19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Tangible fixed assets	5,010,904	-	(147,214)	34,606	-	4,898,296
Domcare services	800,000	-	-	-	-	800,000
IT system investment	400,000	-	-	-	-	400,000
Community Hub project	500,000	-	-	-	-	500,000
Business development	500,000	-	-	-	-	500,000
	<u>7,210,904</u>	<u>-</u>	<u>(147,214)</u>	<u>34,606</u>	<u>-</u>	<u>7,098,296</u>
General funds						
General Funds	5,092,967	10,340,286	(8,168,810)	211,165	99,182	7,574,790
Total Unrestricted funds	<u>12,303,871</u>	<u>10,340,286</u>	<u>(8,316,024)</u>	<u>245,771</u>	<u>99,182</u>	<u>14,673,086</u>
Restricted funds						
Community Hub	-	100,000	(100,000)	-	-	-
Walsall Hub	-	78,529	(78,529)	-	-	-
Walsall Groups	-	7,000	(7,000)	-	-	-
CYP Commission	-	241,185	(241,185)	-	-	-
Park Ride	-	33,103	(33,103)	-	-	-
Birmingham Multi-Care	-	151,538	(151,538)	-	-	-
Freehold property - BMC	874,000	20,355	(18,584)	(245,771)	-	630,000
Oliver McGowan	-	23,000	-	-	-	23,000
	<u>874,000</u>	<u>654,710</u>	<u>(629,939)</u>	<u>(245,771)</u>	<u>-</u>	<u>653,000</u>
Total of funds	<u><u>13,177,871</u></u>	<u><u>10,994,996</u></u>	<u><u>(8,945,963)</u></u>	<u><u>-</u></u>	<u><u>99,182</u></u>	<u><u>15,326,086</u></u>

19. Statement of funds (continued)

Designated funds

The £2,200,000 reserves are designated to Domiciliary care services (£800k), IT system investment (£400k), Community Hub project (£500k) and new business development (£500k).

Restricted funds

The Community Hub — a service for adults with learning disability, offering meaningful daytime opportunities and activities such as education, training and leisure. Staff consult individuals, their carers and families, to tailor services to suit their needs and wishes, arranging support and activities, and signposting to other relevant agents if necessary. 'You Choose' service is part of the Community Hub grant that gives information and advice, using person-centred approaches, to young people with learning disabilities in the transition period of moving from education to adult life. Staff helps the service-user to plan and organise their care support, exploring their options, in a culturally sensitive way to meet their everyday needs, and give practical advice in managing their finances.

The Walsall Hub — a service for all people with a learning disability, offering opportunities and activities such as education, leisure and training. The services are provided in a bespoke setting in Walsall town centre. Walsall City Council provides funding towards the building and clubs.

Walsall Groups — a service facilitating social groups for people with a learning disability funded by Walsall Council.

Children's Commissioned Services — offer short breaks usually in 2 hour blocks to family carers. This gives them some free time to pursue their own interests, secure in the knowledge that their dependent is professionally supported.

Park Ride — a Sports England funded project that facilitates an inclusive family cycling project that provides the whole family, regardless of age or need with the opportunity to enjoy the great outdoors together by using a range of adapted and mainstream bikes.

Birmingham Multi-Care Restricted income — Birmingham City Council funds the two respite care homes and the day centre to provide respite care and day time activities for Birmingham Multi-Care's citizens and carers.

Freehold property BMC represents the value of the properties held in the subsidiary, Birmingham Multi-Care Support Services Limited.

Oliver McGowan - funding to enable the delivery of the Oliver McGowan Mandatory Training (OMMT).

Transfers between funds

The transfer of £245,771 in the year from restricted funds to unrestricted funds represents the sale of 7 Braithwaite Road; the realisation of a cash return on the sale of the freehold property and therefore the conversion of restricted capital funds into unrestricted funds.

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19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds						
Designated funds						
Tangible fixed assets	2,620,702	-	(148,236)	2,538,438	-	5,010,904
Domcare services	800,000	-	-	-	-	800,000
IT system investment	400,000	-	-	-	-	400,000
Community Hub project	500,000	-	-	-	-	500,000
Business development	500,000	-	-	-	-	500,000
	<u>4,820,702</u>	<u>-</u>	<u>(148,236)</u>	<u>2,538,438</u>	<u>-</u>	<u>7,210,904</u>
General funds						
General Funds	<u>6,258,087</u>	<u>9,066,163</u>	<u>(7,642,883)</u>	<u>(2,535,910)</u>	<u>(52,490)</u>	<u>5,092,967</u>
Total Unrestricted funds	<u>11,078,789</u>	<u>9,066,163</u>	<u>(7,791,119)</u>	<u>2,528</u>	<u>(52,490)</u>	<u>12,303,871</u>
Restricted funds						
Community Hub	-	100,000	(100,000)	-	-	-
Walsall Hub	-	42,084	(42,084)	-	-	-
Walsall Groups	-	7,000	(7,000)	-	-	-
CYP Commission	-	233,978	(233,978)	-	-	-
Birmingham Multi-Care	-	159,286	(159,286)	-	-	-
Freehold property - BMC	893,000	-	(19,000)	-	-	874,000
	<u>893,000</u>	<u>542,348</u>	<u>(561,348)</u>	<u>-</u>	<u>-</u>	<u>874,000</u>
Total of funds	<u>11,971,789</u>	<u>9,608,511</u>	<u>(8,352,467)</u>	<u>2,528</u>	<u>(52,490)</u>	<u>13,177,871</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	4,898,295	630,000	5,528,295
Fixed asset investments	1,033,158	-	1,033,158
Current assets	9,622,829	23,000	9,645,829
Creditors due within one year	(881,196)	-	(881,196)
Total	14,673,086	653,000	15,326,086

Analysis of net assets between funds - prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	5,010,904	874,000	5,884,904
Fixed asset investments	921,841	-	921,841
Current assets	7,404,310	-	7,404,310
Creditors due within one year	(1,033,184)	-	(1,033,184)
Total	12,303,871	874,000	13,177,871

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income for the period (as per Statement of Financial Activities)	2,148,215	1,203,554
Adjustments for:		
Depreciation charges	166,156	167,236
(Gains)/losses on investments	(99,182)	52,490
Dividends, interests and rents from investments	(160,875)	(109,897)
Surplus on the sale of fixed assets	(20,355)	-
Increase in debtors	(21,020)	(291,674)
(Decrease)/increase in creditors	(151,987)	232,816
Net cash provided by operating activities	1,860,952	1,254,525

22. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash at bank	3,117,803	5,122,304
Short term deposits	5,125,000	900,000
Total cash and cash equivalents	8,242,803	6,022,304

Notes to the financial statements
For the year ended 31 March 2024

23. Analysis of changes in net debt

	At 1 April 2023	Cash flows	New finance leases	At 31 March 2024
	£	£	£	£
Cash at bank and in hand	5,122,304	(2,004,501)	-	3,117,803
Finance leases	-	-	(7,205)	(7,205)
Short term deposits	900,000	4,225,000	-	5,125,000
	<u>6,022,304</u>	<u>2,220,499</u>	<u>(7,205)</u>	<u>8,235,598</u>

24. Capital commitments

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	<u>383,368</u>	-	<u>383,368</u>	-

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

The Charitable group contributes to group personal pension plans for certain employees. Midland Mencap continues to comply with Work Place Pensions law by making contributions to the new pension scheme for all eligible employees. All employees who qualify are automatically enrolled into the pension scheme. Those employees who are not automatically eligible are given the opportunity to opt into the pension scheme. The employer contribution is 3% in line with the Pension regulator requirements. The old pension scheme was closed to new entrants so it is set to remain stable or decrease as employees make career moves.

The pension cost charge represents contributions payable by the group to the fund and amounted to £125,736 (2023 - £112,118). Contributions totalling £24,405 (2023 - £2,474) were payable to the fund at the balance sheet date and are included in other creditors.

Midland Mencap

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 March 2024

26. Operating lease commitments

At 31 March 2024 the Group and the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	As restated Group	Charity	As restated Charity
	2024	2023	2024	2023
	£	£	£	£
Not later than 1 year	171,535	195,130	171,535	195,130
Later than 1 year and not later than 5 years	98,188	269,723	98,188	269,723
	<u>269,723</u>	<u>464,853</u>	<u>269,723</u>	<u>464,853</u>

27. Related party transactions

Birmingham Multi-Care Support Services Limited is a wholly owned subsidiary of Midland Mencap. For the year ended 31 March 2024, Midland Mencap provided all functions of financial services, strategic and operational management. Amounts charged to Birmingham Multi-Care Support Services Limited to cover these costs totalled £101,560 (2023 - £98,706). For the parent charitable company, the balance due from Birmingham Multi-Care Support Services Limited at the balance sheet date was £5,272 (2023 - £45,876).

Midland Mencap is a member of Forward Carers CIC and the CEO of Midland Mencap is a Board Director of the CIC and one of two subscribing members. The amount due to Midland Mencap at 31 March 2024 in respect of management charges was £13,240 (2023 - £31,151).

Midland Mencap is a member of Pinewood Maintenance Limited, an estate maintenance service responsible for the upkeep of the charity's registered office. During the year, Midland Mencap paid service charges of £26,496 to Pinewood Maintenance Limited and received an annual management charge of £7,875.

Details of key management personnel remuneration can be found in note 12.

28. Post balance sheet events

Since the year end, the Trustees decided to hive up all of the residual activities and funds of Birmingham Multi-Care Support Services Limited into Midland Mencap, following an orderly wind up of the subsidiary charity.

29. Controlling party

The ultimate controlling party of the Group is the Charity's Board of Trustees.

Notes to the financial statements
For the year ended 31 March 2024

30. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Principal activity
Birmingham Multi-Care Support Services Limited	02399075	Provision of care services to people in Birmingham who have multiple disabilities and respite to their parents and carers

The financial results of the subsidiary undertaking for the year were:

Name	Income	Expenditure	Net assets
	2024	2024	31 March
	£	£	£
Birmingham Multi-Care Support Services Limited	580,242	(521,869)	1,302,373

The subsidiary undertaking has the same registered office address as the parent Charity and is included in this consolidation.

MIDLAND MENCAP

England & Wales - Charity number 1043360

Accounts

Charity Registration No. 1043360

Company Registration No. 03006451 (England and Wales)

MIDLAND MENCAP

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



MIDLAND MENCAP

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MIDLAND MENCAP

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2023

Registered Charity Name Midland Mencap

Status

The Organisation is a charitable company limited by guarantee and not having a share capital, incorporated in January 1995 and registered as a charity. The Company was established by its Memorandum of Association which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The Memorandum and articles of association were amended and a resolution was passed at a Special General Meeting held on 31 October 2018. The Charity Commission has also approved the amendments to the governing documents.

Registered Charity number 1043360

Company number 03006451

Trustees M F Gallagher – Chairman
K Gujral
J Cleminson
Dr F M McConnell
N P Green
C S Proctor
N Smith
C McGinley – Resigned 06 February 2023
R C Young – Resigned 26 August 2022

Principal address and registered office Unit E, Pinewood
Bell Heath Way
Woodgate Business Park
Birmingham
B32 3BZ

Auditors Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

Bankers Unity Trust Bank
Four Brindleyplace
Birmingham
B1 2JB

Chief Executive D Rogers

MIDLAND MENCAP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary ("the Group") for the year ending 31 March 2023 which are also prepared to meet the requirements of a Directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Mission

Midland Mencap works and campaigns for accessible and inclusive services and a better quality of life for everyone with experience of learning disability by advancing the views, needs and ambitions of people with experience of learning disability, promoting inclusion through challenging prejudice and discrimination, influencing social policy through campaigning, inspiring, developing and delivering innovative quality services which express inclusion, integration, expressed need and diversity and achieving equality of civil and legal rights through campaigning.

Trustees

The Trustees, who are also the Directors for the purpose of company law, who served during the year were:

M F Gallagher – Chairman
K Gujral
J Cleminson
Dr F M McConnell
N P Green
C S Proctor
N Smith

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the company. The Trustees and other members guarantee to contribute £1 in the event of an insolvent winding up. N Smith is a Trustee and a shadow Director of the Charitable Company.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Organisational Structure

The business of the Charity is managed by the Trustees acting as members and the Executive Committee. The Committee consists of the honorary officers of the Charity; up to twelve other members are appointed by the Board. The number of Executive Committee members may not be less than eight.

On 31 October 2018 a special general meeting was held to pass a special resolution allowing the Charity to now be governed by the revised Memorandum and Articles of Association. The Charity Commission has approved amendments to the organisation's Memorandum and Articles of Association and Charity's Objectives.

The Board of Trustees continues to delegate the responsibility for the day to day management of the Charity business to the Chief Executive and the senior management team. There is a clear distinction between the roles of the trustees and the senior management team. The senior management team is responsible for the production of strategic and operational plans, policies and budgets which are presented to the board of trustees for consideration, approval and monitoring. Board meetings are held regularly in order to update the Trustees on the activities and financial performance of the Charity.

Trustee Recruitment

When recruiting new Trustees the existing Trustees look for those individuals whose skills and experience can make a significant contribution to the management of the Charitable Company.

All new Trustees are made aware of their responsibilities as Charity Trustees and Company Directors and are helped to familiarise themselves with the practical and financial aspects of the Charitable Company's operations. To help them they are provided with a copy of the Company's Memorandum and Articles of Association, the latest published accounts, the Charitable Company's mission statement and appropriate Charity Commission publications.

OBJECTIVES AND ACTIVITIES

The current organisational strategy continues to steer the organisation against a backdrop of extreme challenges and uncertainty of funding that is facing the Third Sector. However, Midland Mencap continues to deliver a progressive and solution based strategy that continues to identify opportunities for growth in our service delivery in order to best serve people with disabilities and their families and carers regardless of age, gender and ethnicity. In delivering Midland Mencap's aims and objectives we will endeavour:

- To consolidate Midland Mencap's position as a leading disability provider in the West Midlands.
- To embed the recent governance changes within our offer to citizens and families that both strengthen and broaden access to Midland Mencap's three core offers.
- To further develop the robustness and effectiveness of the organisation's governance with ongoing commitment to Board development and trustee recruitment.
- To be a sector lead in the delivery of Universal Prevention Services.
- To align our Housing with Care & Support offer to proposed Prevention First and lifestyle commissioning of social care and Public Health.
- To position Midland Mencap core services with regional local authorities, West Midlands Combined Authority and other prospective funders.
- To work with partner organisations in securing Community Asset Transfer opportunities and mergers where they are consistent with Midland Mencap's core mission.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES (continued)

- To deliver on the expectations of our registration on Birmingham City Council's Business Charter for Social Responsibility.
- To continue to invest in our Housing provision.
- Working with citizens and family carers, as key partners, continue developing the organisational community offer promoting inclusion, well-being, and active lifestyles relevant to changing needs and rising demand.
- To continue to explore and diversify our funding streams in order to ensure continuity of projects that promote the core mission of Midland Mencap.
- To continue to explore and develop IT advancement and systems that promotes productivity and smooth delivery of our services..
- To continue to deliver a comprehensive volunteering strategy that meets the core mission of Midland Mencap.
- To maximise the use of marketing and social media to achieve recognition that promotes the work of Midland Mencap.
- To modernise and streamline the way we work .
- To raise more income through our fundraising and the development of corporate relationships.
- To continue to build capacity and resilience of our subsidiary organisation.
- To focus on our expertise and obtaining necessary expertise as a base for entering new market segments.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charitable Company and in planning any future activities. The trustees always ensure that their strategic and operational objectives are carried out for the public benefit. This is achieved through the provision of a wide range of services to people with learning disabilities. This annual report demonstrates how Midland Mencap has spent funds available towards meeting its charitable objectives.

Review of financial position

Midland Mencap continues to hold 100% stake in its subsidiary, Birmingham Multi-Care Support Services. This is a charitable company, limited by guarantee, whose mission, values, objectives and activities align with those of Midland Mencap. As such the Midland Mencap financial statements are reported as consolidated accounts in accordance with relevant Accounting Standards.

The total consolidated income of £9,608,511 included £827,214 income from the subsidiary and the total expenditure of £8,352,467 included £775,460 (before intercompany recharges of £95,276). The subsidiary reported a surplus of £5,800 and the overall group performance reported a surplus of £1,203,554. The consolidated total reserves stood at £13,177,871. The group continues to have sufficient cash flows to carry out its charitable objectives.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

As explained in the reserves policy below, some reserves have been designated to meet planned expenditure and projects expected to be undertaken in the coming financial year. £2,2m has been designated to Domcare, new business development to ensure funding diversification and funding the growth and sustainability of Midland Mencap's Community services in the face of funding cuts against an increased demand for services.

The £874k in restricted reserves is attributed to Birmingham Multi-Care properties with a proviso that the monies be repaid to the trust, local and central government departments should certain conditions not be met.

Reserves policy

Over the last fifteen years Midland Mencap has built up substantial assets and cash reserves. The Trustees and Executive recognise that though the level of reserves provides the charity with significant financial security it also potentially inhibits relationships with existing or potential funders.

Having a reserves policy and clear explanations on why reserves are held at particular levels is a key part of the internal financial management of the organisation allowing the Trustees and management team to manage resources effectively and plan for the future.

Free reserves are the funds Midland Mencap can expend on any of its charitable purposes without external restrictions from funders. This does however exclude restricted funds as these must be spent for a specific purpose that it was initially intended by the funder. The free reserves also exclude the organisations tangible fixed assets held for the charity's own use. This is because these assets are used by Midland Mencap to deliver activities and as such will not be instantly be converted to cash in order to meet a funding deficit should such need arise. In addition to this, designated funds are also excluded from free reserves. The designated funds are set aside to meet essential and specific short to medium term liabilities and projects that advance the organisation's charitable aims and objectives.

Therefore Midland Mencap's strategic plans have and will be developed to utilise the remaining free reserves to:

- Protect the financial stability of the organisation.
- Invest in IT infrastructure that will ensure efficient and effective operational processes.
- Facilitate the strategic and planned investment in growing our Community Hub offer to ensure its self-sustainability and wider reach.
- Allow the organisation to operate uninterrupted services in the event of funding delay or substantial funding cuts.
- Fund the organisation's growth strategy especially for new geographical areas.

Further to the use of free reserves outlined above, below are the details of the circumstances in which the free reserves will be utilised:

- To ensure funds are available for unforeseen emergencies or other unexpected needs, for example unexpected property repairs or funding for an urgent project opportunities.
- Unforeseen day to day operational costs.
- Grant income not being renewed.
- Planned commitments which may need higher levels of reserves.
- Funds to allow for increased beneficiary need.
- The need to fund short-term deficits in a cash budget, for example, money may need to be spent before funding is received.
- Staff retention

MIDLAND MENCAP

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2023**

The group's consolidated total reserves at 31 March 2023 were £13,177,871. £5,884,904 of this is represented by tangible fixed assets held for charitable use (£874,000 of which is restricted funds), and a further £2,200,000 is designated funds (details given under financial review), which leaves the group with free reserves of £5,092,967 as at 31 March 2023 - equivalent to 9 months' worth of current staff salaries.

The Trustees consider that the current level of reserves will ensure that, in the event of a significant drop in funding, they will be able to continue the Charitable Company's current activities whilst consideration is given to ways in which additional funds may be raised. The reserves levels are monitored and maintained throughout the year.

Risk factors

The board of Trustees continually assess the risks to which the charity is exposed and systems have been put in place to mitigate these risks. Internal controls have been put in place to minimise operational risks by implementing an active and rigorous policy on safeguarding and health and safety procedures. Internal financial risks have been minimised by continual review and implementation of authorisation and monitoring of all transactions. Risks to future income and expenditure levels are monitored by setting annual budgets and monitoring actual performance on a monthly basis and this is reported to trustees at every board meeting. Where significant financial risk still remains, the board has ensured proper insurance cover.

The following table explains the principal risks that have been identified and could seriously impact on the charity's performance and future prospects and the steps taken to mitigate such risks.

Potential risk	Potential impact	Steps to mitigate risk
Dependency on income sources	<ul style="list-style-type: none"> Cash flow and budget impact of loss of income source. 	<ul style="list-style-type: none"> Identification of major dependencies and finding alternative income sources well before end of contracts with major funders. Adequate reserves policy. Diversification of income streams.
Relationship with funders	<ul style="list-style-type: none"> Deterioration in relationship may impact on funding and support available. 	<ul style="list-style-type: none"> Regular contact and briefings to major funders. Project reporting as per required timelines by the funder. Meeting funders' terms, conditions and requirements.
Government Policy	<ul style="list-style-type: none"> Availability of contract and grant funding. Impact of tax regime on voluntary giving. Impact of general legislation or regulation on how services are delivered. Role of voluntary sector. 	<ul style="list-style-type: none"> Monitoring of proposed legal and regulatory changes. Membership of umbrella bodies that advocate for rights of people with learning disabilities.

MIDLAND MENCAP

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2023**

Risk factors (continued)

Investment	<ul style="list-style-type: none"> • Global market instability. • Unforeseen ethical issues. 	<ul style="list-style-type: none"> • Spread of risk on investment portfolios. • Regular reviews by investment managers on risk to portfolios. • Regular reviews by the investment management system to ensure investments are in line with charitable objectives.
Project or service development	<ul style="list-style-type: none"> • Compatibility with objects, plans and priorities. • Funding and financial viability. • Project viability. • Skills availability. 	<ul style="list-style-type: none"> • Project appraisal and costing procedures to ensure that new projects are viable and within the charity's objectives. • Authorisation procedures followed to ensure proper allocation of income and expenditure. • Monitoring and reporting procedures to ensure project's progress is in line with available funding
Disaster recovery and planning	<ul style="list-style-type: none"> • Computer system failures or loss of data. • Destruction of property, equipment, records through fire, flood or similar damage. 	<ul style="list-style-type: none"> • Information systems recovery plan. • Data backup procedures and precautions. • Insurance cover. • Disaster recovery plan for alternative accommodation.
Competition	<ul style="list-style-type: none"> • Loss of contract income. • Reduced fund-raising potential • Reduced profile. • Profitability of trading activities. 	<ul style="list-style-type: none"> • Monitoring performance and quality of service to ensure that we maintain and improve the quality of service • Review of market and methods of service delivery to find ways of delivering services that helps Midland Mencap to stand out. • Fund-raising strategy to promote public awareness and our external profile within and outside our sector.
Subsidiary company	<ul style="list-style-type: none"> • Staff integration and TUPE • Integration of systems, policies and processes • Historical liabilities and contract commitments • Extra funding requirements 	<ul style="list-style-type: none"> • Through due diligence of policies, processes, contracts • Continued liquidity reviews • Review transferability of historical contracts and properties • TUPE audit • Operation's continuity reviews

MIDLAND MENCAP

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Employee remuneration

Midland Mencap aims to pay salaries that are fair and competitive within the charity sector in order to retain qualified staff. From January 2023 the Board took the decision to introduce the real living wage ahead of May 2023 deadline. Remuneration of the senior management team is set and approved by the board of trustees' who benchmark their decision based on pay levels of similar sized charities.

Our key management personnel are the Chief Executive, Director of Operations, Head of Housing Care and support, Deputy Director of Operations and Head of Finance.

Midland Mencap is committed to paying the Real Living Wage as set by Birmingham Business Charter.

Going Concern

The Trustees are satisfied that there are sufficient assets and funds for the Charitable Company to remain a going concern as explained in the notes to the financial statements below.

Related parties

The Charity is affiliated to Royal Mencap, Mencap National Centre, 123 Golden Lane, London, EC1Y 0RT.

This report was approved by the trustees on 26 October 2023 and signed on their behalf by:

M F Gallagher – Chairman



MIDLAND MENCAP

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services

Midland Mencap's Housing, Care and Support Services encompass a range of services namely Home Support, Supported Living, and the Carers Emergency Response Service (CERS) under our CQC registered domiciliary care services, Learning Disability Community Wellbeing Service (CWS), Sitting Service, Placing Vulnerable Urban Residents into Employment and Training (PURE) and Housing Management Services.

Driven by our ethos to deliver high quality care and support services and to deliver these to a high standard centred on the Care Quality Commissions five key areas of safe, effective, caring, responsive and well-led, the right to safe, secure, housing with the right support at the right time remains the cornerstone of Midland Mencap's offer to citizens. We continue to maintain the high specification of our existing portfolio of housing stock for people with a learning disability, our current portfolio of properties consists of: -

- Ludford Close 24 studio apartments
 2 x 1-bedroom flats
 1 x 3-bedroom flat

- Dunnigan Road 1 x 3-bed, fully accessible, bungalow
 1 x 2-bed, fully accessible, bungalow

- Underwood Close 2 x 3 bed, fully accessible, bungalow
 7 x 1-bedroom flat
 7 x 2-bedroom flats

- Kings Lodge 7 x 1-bed flats
 2 x 2-bed flats
 3 x fully accessible bungalows

- Cornbrook Road 2 x 3 bed, shared, houses

- Nailers Close 1 x 2 bed, accessible, bungalow

During the 2022/2023 period we have purchased the main building at Underwood Close having previously managed this under a lease agreement. We have also purchased another bungalow on Dunnigan Road. This purchase has only just been agreed and once completed, the property will undergo extensive refurbishment to improve the building's sustainability, energy efficiency and allowing us to maintain our high-quality housing portfolio.

By managing our own housing stock, we continue to have the invaluable opportunity to model the interiors and adapt these to meet individual needs to ensure they offer the opportunity for those with the most complex of disabilities to enjoy high quality, independent living.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services (continued)

A large proportion of Midland Mencap's Housing, Care and Support services are based on the provision of social care and health services. The service provides support with personal care, independent living and accessing social, recreational and leisure activities within the local and wider community. The service is available to children, young people, and adults. All the services are built upon the provision of personalised support, independent living and accessing social, recreational and leisure activities. Services are provided in a manner flexible enough to meet peoples' individual needs, as specified in their own Personal Citizen Plan.

In April 2023 we were successful in applying to join the Flexible Contracting Arrangements for the Provision of Care and Support (Supported Living) Framework with Birmingham City Council, replacing our 2018 contract framework agreement, and thus giving us a new flexible contracting arrangement that runs to April 2028, with the possibility of a further two-year extension, running up to April 2030.

Housing, Care and Support continue to drive digital technology and software across the organisation, improving a range of previously paper driven processes. We continue to expend tremendous resources in modelling our Unique:IQ software into a bespoke, tailor-made, solution to meet the whole organisation's needs. We are currently in the process of upgrading our systems from IQ:CarePlanner to IQ:CareManager which is cloud based software and has allowed the organisations migration away from an old style server, to cloud based solutions that can be accessed without the need for server access, thus creating a more agile way of working. This is a complete care management software package that supports us to manage our end-to-end operational requirements from rostering, care planning, monitoring and time and attendance, electronic daily logs through to electronic payroll and invoicing. This has supported the organisation to eliminate paper-based procedures, achieve operational efficiencies and reduce admin time and costs.

With ever decreasing resources and the continuation and potential worsening of central government austerity policies this has remained a challenging environment for both the recipient of support and the provider. Housing, Care and Support services have this year continued to advocate for the citizen in ensuring individuals continue to receive the right amount of support at the right time.

In addition to this we have also encountered increased staff absences, especially around 'Long-COVID' and experience unprecedented problems around recruitment. The health and social care sector continue dealing with the emotional toll of the pandemic and frontline health and social care workers are dealing with the added pressures around the cost-of-living crisis which is pushing people who are in secure employment into poverty. To help in alleviating this we, as an organisation, have implemented the Real Living Wage. This is the only UK wage rate based on the cost of living and, although we had to commit to paying this as part of our framework agreement with Birmingham City Council, we chose to implement this earlier than the April 2023 guideline and started paying this to our frontline staff effective from January 2023. From November 2022 through to March 2023 we introduced an emergency staff foodbank scheme to support any member of staff that needed any assistance. This was completely confidential, with no records maintained and no questions asked and was a way of us being able to discreetly support staff throughout the winter months with food parcels containing essentials. In December 2022 all staff were gifted a £50 Asda gift voucher as a thank-you and in recognition of their continued support to the organisation.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services (continued)

Home Support/Supported Living & Learning Disability Community Wellbeing Service

Across the year our care and support teams have delivered 329,775.5 hours of home-based care and housing support to individuals' right across Birmingham. Our home support and supported living services operate twenty-four hours a day, seven days of the week. Our Supporting People/Tenancy Related Support service became the Community Wellbeing Service (CWS) from July 2022. Not only were we successful in winning this contract, but we were also actually allocated more hours than we had originally applied for.

We have: -

- Delivered 240,517.5 hours of home care/supported living.
- Delivered 85,262 hours of Community Wellbeing Service support. (This was 95% face to face support, 3.1% of group activity support 1% telephone support and 1% Zoom/Teams support)
- Within the 240,517.5 hours, we delivered 28,139 waking night hours.
- Within the 240,517.5 hours, we delivered 23,224 sleep-in hours.
- Supported 450 individuals with Community Wellbeing Service support.
- Supported 5 individuals with home support.
- Supported 104 individuals with supported living.
- 31 individuals 'floated off' from our Community Wellbeing Service having been supported to live with full independence across this period.
- The Community Wellbeing Service reported 2103 outcomes related to health and wellbeing, community participation, obtaining/maintaining accommodation, and economic wellbeing.

Our services are provided by a phenomenal group of frontline social care workers who worked tirelessly and diligently to ensure that all the people who use our services received high-quality, person-centred care.

Ensuring our staff have the right range of skills to undertake their roles and then maintaining these skills is critical to the safe delivery of our services. The 203 frontline housing, care and support staff have received 1080 hours of training and support this year across a wide range of training covering areas such as the Care Certificate, induction, infection control, safeguarding, medication management, safe lifting and handling practices as well as update training in areas such as First Aid and Fire safety. This ensures that our staff are skilled, confident, but most importantly competent to support individuals with a wide range of care and support needs.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services (continued)

Carers Emergency Response Service (CERS)

Our Carers Emergency Response Service (CERS) has continued to ensure that Carers have absolute peace of mind knowing that if they are unable to undertake their caring responsibilities due to an emergency then our team will step in ensuring care and support to their loved one will continue in their absence. As well as the emergency provision of care CERS also provides an essential service allowing family carers to attend important pre-planned appointments, such as health related consultations i.e., chemotherapy appointments, ensuring carers can prioritise their own well-being alongside that of the person they care for.

CERS staff continue to share information relating to positive mental health websites and helplines. CERS staff also have a referral pathway to utilise should they recognise a family is struggling to cope, especially with the closure of schools and day centres. Families have on occasion called the CERS emergency line to simply ask for advice it has been a pleasure to be able to assist someone with a simple conversation; this may have avoided a breakdown in the care delivery.

CERS staff continue to use their time flexibly and offer support via telephone evening and weekends, this has been welcomed by carers who can feel particularly isolated.

Two of our CERS Officers have both received Trusted Assessor training with the Occupational Therapy Service, allowing them to assess for simple O/T equipment and assisting with the BCC waiting list for O/T appointments – this can now be carried out by CERS staff as part of their assessment process rather than the individual having to be referred via the single point of access.

In the last twelve-month period, we have: -

- 1257 carers registered for the service (as of end March 2023)
- Supported with 20 separate emergencies, providing 407.5 hours of emergency support.
- Supported with 327 pre-planned appointments, providing 1000 hours to carers to support these appointments.
- Completed 613 assessments for people wishing to access the service.
- Reviewed and updated 1513 individual emergency support plans.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services (continued)

Some of our CERS Case Studies/Good News Stories over the last twelve months are:

- CERS supported a family to source respite care provision after an emergency without interaction from the local authority as family were privately funding.
- CERS supported another family to source a care package from the local authority following an emergency.
- CERS signposted and supported a Carer with bereavement counselling after the Cared For individual passed away a few days after being assessed for the service.
- O/T assessment completed with Cared For during an emergency as cancelling this would have delayed the necessary adaptations needed to a wet room within the property.
- CERS supported a family with a pre-planned appointment that then turned into an emergency. CERS supported the family to liaise with social workers and source suitable respite provision for the Cared For as the hospital would not discharge the Carer as they would not have got any rest. Sadly, the Carer passed away and CERS supported the family and signposted them for grief support.

Domestic Abuse Service

The Domestic Abuse service was mobilised in November 2022. We have a very experienced Domestic Abuse Lead in post as well as a Domestic Abuse Assistant who was appointed in early 2023.

Bespoke Learning Disability Domestic Abuse Awareness training has been designed and produced by the service lead with piloted training due to be provided in April 2023. This will then be rolled out to internal and external groups and professionals.

This service is grant funded until November 2023 with the possibility of a one-year extension, potentially extending this to November 2024 as Birmingham City Council establishes its' Domestic Abuse Strategy.

Placing Vulnerable Urban Residents into Employment and Training (PURE)

The PURE project is a part-funded European Social Funded project and has been operating since March 2019. It brings together a range of coordinated interventions which will assist the needs of citizens with barriers into the employment market. With the support of PURE Intervention Workers, they will support, guide and mentor individuals through to Employment, Education or Training.

- Participants gain an intensive level of support including but not limited to: (one to one support / action planning / at work support) leading to positive outcomes including Employment Education and Training.
- Bespoke support tailored to the individuals needs and demands.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services (continued)

The project is eligible for participants Birmingham wide, with an emphasis on areas of deprivation.

- PURE have 224 registrations since April 2022, with 93 outcomes around employment, training, and job searches in the 2022/2023 period.
- Midland Mencap, as an organisation, continues to employ an individual to the post of Site Assistant, through the PURE project. This is a huge success as, after many years of unpaid volunteering elsewhere, this individual is now a valued member of the staff team with positive family feedback “PURE, and Midland Mencap in particular, have been a great support and do brilliant work giving the opportunity to work and integrate more fully in the community... which is amazing”.
- Midland Mencap hosted a ‘PURE Expo’ at the Weoley Castle Community Centre with 120 attendees. The Midland Mencap PURE service was the top performing of all providers as of July 2023.
- We have been successful in being awarded a contract extension until December 2023. We are waiting for news as to whether PURE will transition to the UK Shared Prosperity Fund from April 2024.

Birmingham Multi-Care Support Services

Birmingham Multi-Care is a subsidiary of Midland Mencap and provides a range of care and support services to children, young people and adults across Birmingham. Birmingham Multi-Care services include home based care and support, short breaks and respite as well as access to community based social, leisure and recreational opportunities.

Birmingham Multi-Care Respite Care Provision

We provide 8 respite care beds across two registered Respite Care Homes – Silver Birch Road in Erdington and Greswolde Park Road in Acocks Green. Both homes are regulated by the Care Quality Commission and offer high quality respite provision seven days per week.

The COVID-19 pandemic had a serious impact on our respite service delivery as almost all carers who use our service were deemed to be clinically extremely vulnerable and, consequently, had to shield. This impacted on the respite care bookings as the people who use our services shielded along with their family members/carers. It has taken a long time for families to start using out respite care provision once again, but this is now increasing with bookings beginning to increase once more. At the end of the 2022/2023 period, Silver Birch Road had an overall occupancy rate of 65.35% (an increase from 60.78% in 2021/2022) and Greswolde Park Road had an overall occupancy rate of 71.29% (an increase from 68.55% in 2021/2022), providing 25,792.25 hours of respite support.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Housing, Care and Support services (continued)

Birmingham Multi-Care Home Based Care and Support

Our home support and supported living services operate twenty-four hours a day, seven days of the week. As with our other services, this has been severely impacted by the pandemic as most of the support provided by Birmingham Multi-care is home based and many families were deemed to be clinically extremely vulnerable and, consequently, had to shield. As with our respite care services this impacted on the home-based care bookings as the people who use our services shielded along with their family members/carers. In addition to this staff that specifically supported individuals with recreational based activities were left with no work as all recreational activities and venues closed due to lockdown.

We have: -

- Delivered 18,858 hours of care and support
- Delivered 2,187 sleep-in hours.
- Supported 46 individuals with home-based care and support, short breaks and access to community based social, leisure and recreational opportunities.

The 33 frontline staff have received 381.75 hours of training and support this year across a wide range of training covering areas such as the Care Certificate, induction, infection control, safeguarding, medication management, safe lifting and handling practices as well as update training in areas such as First Aid and Fire safety. This ensures that our staff are skilled, confident, but most importantly competent to support individuals with a wide range of care and support needs.

From April 2023, Birmingham Multi-Care Home Based Care and Support will novate over to Midland Mencap and will be provided under the Midland Mencap registration, with Birmingham Multi-Care's Domiciliary Care Agency then being deregistered.

Community Services Update 2022/2023

Key achievements during 2022/2023

Children and Young people services:

CYP sessions continue to thrive and capacity of spaces has increased as well as CYP attendance rising over this period.

Key Stats:

- Delivered a total of 3820.5 hours to Children & Young People and their families across Birmingham, this is split between LOT3 553.75 hours and Specialist 2746.50 hours.
- Delivered 7276.5 hours to after school club (ASC), schools reaching out within the Weoley Castle locality.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Community Services Update 2022/2023 (continued):

- Delivered a total of 1157.5 hours to Children & Young People and their families in Worcestershire, this is split for 986.5 hours for commissioned short breaks sessions and 171 for DOM care hours.
- Delivered 917.25 hours to Children & Young People and their families in Coventry, for commissioned short breaks sessions.
- Delivered 218.75 hours to Children & Young People and their families in North Warwickshire, for commissioned short break sessions.
- We continued to run and delivery community support packages.
- Total hours delivered: 13,390.50

In the year 2022-2023, Midland Mencap CYP team continued to deliver a consistent service to children, young people and their families as circumstances surrounding the Covid-19 pandemic eased. Short Breaks session continued to run weekly and during school holidays on a higher capacity of session being offered which were all in line with local authority commissioned contract.

The CYP team continued to keep in regular communication with all children, young people and their families via social media, emails text and face to face meetings during sessions.

Birmingham delivery worked in partnership with Street Games (HAF) and offered a total of 17 sessions through this period, where 135 CYP's attended. These free sessions offered much needed support for those families in financial difficulties during the later part of the year with the ongoing cost of living crisis.

As part of the Tesco Community Fund the Birmingham service was able to offer 2 family days to CYP's and their families, one being Blackpool and one being a day at Ackers Adventure. This then enabled us to assess 4 further children for our services.

The team have been networking within the local community in Northfield, Selly Oak and Solihull, these events have provided opportunities to share our services and what we offer. It has allowed us to work in partnership places such as Selly Oak Send Hub also.

The Birmingham CYP team have seen an increase in the number of assessments they are completing this is due to having a better staffing structure in place and altering CYP systems to fit the needs of the service.

Worcestershire service delivered commissioned Holiday's and Activities sessions at a continued increase at 2 sessions per week during school holidays during this period. This service moved to a new location at Warndon Hub, providing more consistency and stability for both CYP's and staff.

The CYP service stop delivery on DOM care hours due to staffing. This then enabled the team to focus on getting in new CYP packages and stabilising the service within Worcestershire. This totalling 10 children receiving DOM care support throughout these months. Worcestershire service continued to deliver commissioned short breaks session during school holiday's at Warndon Hub, where 7 -10 children attended these sessions.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Community Services Update 2022/2023 (continued)

Worcestershire CYP service also worked in partnership with Ready, Steady, Worcester (HAF) who provided funding for staffing and CYP's to attend the pantomime at Christmas. The service continues to work in partnership with Ready, Steady, Worcester (HAF)

In Coventry and North Warwickshire Midland Mencap for the period of April 2022 through to March 2023 have continued to deliver commissioned packages of support to children and young people.

These continue to operate on the basis of fulfilling the individual needs and wants of the family and the children. July 2022 saw a new coordinator take over the service and this has since Throughout the period of April 2022 to March 2023, capacity has continued to increase from the previous year, where we have been able to better establish our group-based sessions on a weekly basis at Pathways Family Hub, and at Moat Family Hub and Foleshill Family Hub during school holidays. The service has seen an increase in packages where CYP hours continue to be increased during school holidays. This is also the case for community support packages.

Staffing

In June 2022, a new CYP Service manager was appointed. In July 2022, a new coordinator was appointed for the Coventry and North Warwickshire service. In November 2022 the CYP service manager was promoted to CYP Operations Manager and Birmingham coordinator was promoted to CYP Service Manager in December 2022. As a result, the Worcestershire Communities Coordinator was successful in being appointed to Birmingham CYP Coordinator, meaning the service had one vacant position, this being the Worcestershire Communities Coordinator.

The After school club facilitator left the organisation, therefore the structure was changed to meet the needs of the service, meaning one support worker was promoted to facilitator and the remaining hours were reduced to 7.5 for administrative duties, which is done by CYP admin team.

The CYP support team capacity worked at:

- **Birmingham:** 21 support staff by November 2022, this enabled us to not use agency from December 2022. Coordinators were not needed as much to support individual CYP's relieving them from this extra duty.
- **Worcester:** 3 staff for the support staff base team as well as 1 coordinator, supported in total. To support the delivery the Birmingham support staff team were rotated into these sessions increasing the in-house staffing capacity, meaning no agency were used.
- **Coventry:** 12 Staff supported in total, where co-ordinators/ senior support worker also supported additionally to support child capacity on sessions and delivering community support. Due to challenges around recruitment, agency usage was higher within this part of the service. However, after a successful recruitment drive in January this reduced significantly to one agency staff a week and reduced again where in March only 1 was used for the whole month.
- **North Warwickshire:** 12 Staff supported in total, where co-ordinators/ senior support worker also supported additionally to support child capacity on sessions and delivering community support. Due to challenges around recruitment, agency usage was higher within this part of the service. However, after a successful recruitment drive in January this reduced significantly to one agency staff a week and reduced again where in March only 1 was used for the whole month.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Community Services Update 2022/2023 (continued)

The Weoley Castle Community Centre (WCCC), Café, Community Hub (including Asha Community Project) & Sports Team

The main service (The Community Hub) has had a full year of 'normal' delivery, back to post covid activity. The Community Hub 'Day Opportunities' continue to be delivered from the WCCC as the main base, while being active back in other wards of the city e.g. Swimming in Aston or Football in Moseley, as well as our own building in the north of the City, the Clifton Road Outdoor Activity Centre.

In the WCCC the Community Hub hosts a broad range of community partners, for regular and one partnership work e.g. weekly drop-in surgeries from the local authorities OT and Adult Social Care Services, Local Ward Meetings, Birmingham Carers Hub all added with the CYP services like the local after school club and it has been the first year since covid stopped the original plans for the building to be an open community centre.

Upgrade work to the WCCC has either been completed or set to be, includes a brand new enlarged all year all weather artificial grassed activity area and toilets including an official changing place to ensure the building and services are accessible to all in the local community and beyond.

The onsite Café continues to build a steady customer base, with more plans for the future to ensure a bespoke community offer, which will bring in more local community members.

The main service has continued to be rated green (highest rating) in each quarterly review period and at the time of writing has been successful in being awarded a new 3 year contract with the option of a further 2 years extension. During this year, we have now fully integrated the Asha Community Project service and staff into Midland Mencap. The service remains stable and has just undergone a full review and re-assessment and planning process as it moved into Midland Mencap.

During this year we have also become fully staffed across the team, including sports posts and have begun to rebuild our accessible sports offer, including being officially affiliated to Birmingham F.A. starting partnership work with Alcester F.C and The Edgbaston (Cricket) Foundation.

Family Carers Support including Short Break

During this year we have been successfully refunded for a further 3 years with the option of 2 years extension and have further repurposed the offer of family support towards a lead role for parent-carers as part of our role in the Birmingham Carers Hub. While continuing to deliver Statutory Carers Assessments for Carers of Adults. We continue to manage the Birmingham Disabled Children's Register and deliver wellbeing groups and events for families.

We are in the final year of the short break brokerage contract, but have continued to manage and monitor the provider network in the safe delivery of short breaks for parent-carers of disabled children.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Community Services Update 2022/2023 (continued)

Walsall Community Disability Hub

It has been another busy year for the hub in Walsall, which has seen a growth in participants joining the day opportunities including a broader range of disabilities and mental health vs the traditional learning disability participants, as well as joint activities with the carers hub, it has all helped to really develop a strong citizen community network around the service. Like with the Birmingham Services, the service this year had it's contract renewed and has continued to hold a close relationship with the local authority and as a lead local charity with the responsibility of acting as official hubs for disability and unpaid carers on behalf of the local authority – creating a one-stop support and advice service for town.

Carers Hub

The Carers Hub has completed a year of operation and with a small team behind it, it has exceeded targets and had a big impact in the town, fast securing a favourable reputation with the town's community of unpaid carers, professionals and the funding partner Walsall Council. With two large scale successful public events under its belt and a third in the planning stage – we have delivered the largest public events for Carers Week and Carers Rights Day the two has seen. We have launched a network of community-based support groups which cover things like ladies and men's groups, mixed groups, wellbeing activity groups and such is the growing reputation of the hub, we have been inundated with requests to work in partnership with the groups and other projects by statutory and non-statutory partners which we have accepted to the benefit of the towns unpaid carers e.g. Walsall College & One Pelfrey to name but a few. In other work such as benefit and welfare related the team were successful in securing £80,000 of back dated benefits for just one family.

Parkride

The West Midlands region's leading adapted cycling project Parkride has continued to provide safe, affordable inclusive cycling utilising green and accessible venues. Our sessions are well attended with excellent feedback from participants and funders. We have seen an increase in work with local schools across the region with several schools booking sessions throughout the academic year. The team have provided individual sessions to 2573 participants who have a wide range of disabilities & experiences of cycling. Some participants attend on a regular basis and for some one session is enough – our aim is to ensure that we go at the individuals' pace and their abilities.

To ensure sustainability for the project, our main focus for the management of the project has been Identifying suitable funding streams to enable us to continue to offer the service. We have successfully bid for funding from Sandwell Metropolitan Borough Council and five Neighbourhood Network Schemes across Birmingham. This will enable participants to have access to a wide range of adapted and mainstream cycles which will help them to improve their health and wellbeing, improved fitness levels and reduce isolation within their communities. We continue to deliver in all local authority areas and are confident that this too will increase over the next 12 months.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Community Services Update 2022/2023 (continued)

Citizens Network

This citizens network has continued to develop various forums for disabled people to be at the heart of the conversations and coproduction opportunities. It provides a collective voice by connecting existing groups, networks, and forums together with disabled individuals to share their thoughts and views on the things that matter the most to them so physical activity becomes a viable option. The Citizen's Network is key to developing coproduction opportunities and ensuring the voices collated are credible and representative of our communities.

The focus this year has been to strengthen the support given to citizens who access Midland Mencap's various services to continue to enable their views to be heard and shared via our management and governance structures. We have seen a 25% increase in participation over the last 6 months of the financial year.

We have secured funding from external organisations to undertake consultation work with carers and services users to provide an independent review of their services.

Worcester Day Opportunities

We commenced delivery of our day opportunities service in July 2022 offering a wide and varied range of meaningful opportunities. The service offers a open door policy, for those who could attend independently without support and for those who would equally require some aspect of support to engage.

The service runs across 7 days a week which includes evenings. The menu of opportunities using a hybrid model of our own facilitators and community entrepreneurs includes a mix of social, leisure, wellbeing, learning and vocational opportunities.

These opportunities are supported by a wider network of linked services, which if required and needed will enhance the experience of the citizen.

Business Development

Key Stats

- Secured £120k from WMCA Active Travel Fund for Parkride received final £80k in year
- Secured £40k for new Domestic Abuse service for 12 months
- Secured £25k over 2 years from Peter Harrison Foundation – received final £12.5k in year
- Received £6.7k for Citizens Network focus groups
- Received £10k from Norman Laud Association
- Received £9.78k from Lottery fund for Jubilee arts and celebration project
- Received £8k from McMillan Cancer Trust
- Received £3.25k from Tesco Groundworks towards children's services
- Received £2.4k from Think Active sports
- Secured a range of funding below £1,500 for multiple resource

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Key Organisational Strategic Aims

The organisation is currently undertaking a further refresh of its operating strategy published in November 2019. This is to ensure that our strategic objectives remain relevant but also take into account environmental changes as a result of covid recovery planning, the impacts of the cost-of-living crisis and the financial crisis at Birmingham City Council. This has been a strong operating year for Midland Mencap and we have seen growth in services across our operating footprint. We have been successful in winning, retaining and mobilising new contracts providing health and wellbeing services, a specialist domestic violence service and a new carer support service in Walsall as well as strengthening the offer from our Children's services and in our accessible cycling scheme Parkride. Post covid we have seen a significant rise in the demand for support from citizens and families, particularly our community services which has meant increasing the range and availability of opportunities and activities provided.

We now plan to:

- Publish the refreshed strategy to cover the period 2023-2026
- Publish a fully costed Business plan outlining not only how we would plan to deliver our strategic objectives but how this would be resourced.
- We intend to introduce a new strategic objective to increase our current housing stock by 10 units and this will be costed into our Business Plan, to include additional rent revenues these properties will attract. To achieve this, we will use organisational reserves to purchase property and expect this to deplete our current reserves by as much as 50%
- Continue to build our service offer in Coventry, Worcester, Sandwell and Warwickshire
- We will continue to invest into our workforce, particularly in terms of mitigating sector wide recruitment and retention concerns. From January 2023 we became a Real Living Wage employer ensuring our lowest paid staff will be paid £10.90ph
- Continue to build the capacity of the Trustee Board

The organisation is recovering positively from the pandemic but particular pressures remain, particularly regarding recruitment and retention of staff. This is a sector wide issue and remains the biggest determinate in us successfully delivering our strategic objectives, with pay and conditions a primary driver in people choosing to join the social care workforce.

Overall, Midland Mencap is robustly positioned to deliver on its stated strategic objectives not only by using our own resources but by continuing to strengthen collaboration and partnership with key stakeholders with particular reference to co-producing outcomes with citizens and families influencing our decision making through lived experience.

MIDLAND MENCAP

STRATEGIC REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2023

Birmingham Multi-Care Strategic Aims

The organisation parent company, Midland Mencap, is currently completing a further refresh of our shared operating strategy published in November 2019. This is to ensure that our strategic objectives remain relevant but also consider environmental changes as a result of post covid planning and the impacts of the cost-of-living crisis. This has been a year of further recovering the financial position of our organisation and these accounts show we have succeeded in that aim and the organisation is now financially stable. The reputation of the organisation remains positive with citizens, families and funders and this has been reflected in referrals to our team.

We now plan to:

- Through our parent company publish the refreshed strategy to cover the period 2023-2026
- Through our parent company publish a fully costed Business plan outlining not only how we would plan to deliver our strategic objectives but how this would be resourced
- We will be undertaking a review of the operating model for Birmingham Multi-Care to ensure we are positioned to meet the needs of the citizens and families supported, the expectations of commissioners and funders and the challenging economic environment we operate within
- Our intention is to secure the future of our residential respite services
- We will continue to invest into our workforce, particularly in terms of mitigating sector wide recruitment and retention concerns. To that end from January 2023 through our parent company we will become a Real Living Wage employer ensuring our lowest paid staff will be paid £10.90ph
- Continue to build the capacity and stability of the Trustee Board

The organisation has recovered robustly from the pandemic. However particular pressures remain on recruitment and retention of staff. This is a sector wide issue and remains the biggest determinate in us successfully delivering our strategic objectives, with pay and conditions a primary driver in people choosing to join the social care workforce.

Overall Birmingham Multi-Care is positioned to deliver on its stated strategic objectives not only by using our own resources but through the parent company by continuing to strengthen collaboration and partnership with key stakeholders with particular reference to co-producing outcomes with citizens and families influencing our decision making through lived experience.

MIDLAND MENCAP

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

The Trustees (who are also directors for the purposes of company law – except for those mentioned on page 1) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable group will continue in business.

The Trustees are responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Haines Watts Birmingham LLP, were appointed during the year and will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees on 26 October 2023 and signed on their behalf by:

M F Gallagher – Chairman



MIDLAND MENCAP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIDLAND MENCAP (continued) FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Midland Mencap ('the parent charitable company') and its subsidiary ('the group') for the year ended 31 March 2023 which comprise the Consolidated Statement of financial activities, the Consolidated and Parent Company Balance sheets, the Consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable and company affairs as at 31 March 2023, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MIDLAND MENCAP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIDLAND MENCAP (continued) FOR THE YEAR ENDED 31 MARCH 2023

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Trustees' Annual Report has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the parent and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

MIDLAND MENCAP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIDLAND MENCAP (continued) FOR THE YEAR ENDED 31 MARCH 2023

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees who are also the Directors of the parent charitable company for the purposes of Company Law, except for those mentioned in page 1 of this annual report, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the group itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011 and Charities SORP (FRS102).

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- making enquires of management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

MIDLAND MENCAP

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIDLAND MENCAP (continued)
FOR THE YEAR ENDED 31 MARCH 2023**

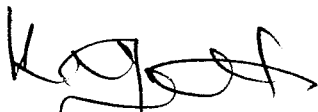
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Kevin Hodgetts (FCA)
Senior Statutory Auditor
for and on behalf of:

Haines Watts Birmingham LLP
Chartered Accountants and Statutory Auditor
5-6 Greenfield Crescent
Edgbaston
Birmingham
B15 3BE

26 October 2023

MIDLAND MENCAP**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted funds £	Restricted fund £	Total 2023 £	Total 2022 £
Income and endowments from					
Donations, grants and legacies	2	378,633	542,348	920,981	1,242,587
Charitable activities	5	8,562,520	-	8,562,520	7,779,973
Other trading activities	3	8,318	-	8,318	1,461
Investment income	4	109,897	-	109,897	51,551
Other income	6	6,795	-	6,795	9,114
Total incoming resources		9,066,163	542,348	9,608,511	9,084,686
Expenditure on					
Charitable activities	7	7,791,119	561,348	8,352,467	8,154,009
Total resources expended		7,791,119	561,348	8,352,467	8,154,009
Net income/(expenditure) before investment (losses)/gains		1,275,044	(19,000)	1,256,044	930,677
Net (losses)/ gains on investment		(52,490)	-	(52,490)	(33,165)
Net income		1,222,554	(19,000)	1,203,554	897,512
Transfers between funds		-	-	-	-
Net movement in funds		1,222,554	(19,000)	1,203,554	897,512
Funds brought forward at 1 April 2022		11,081,317	893,000	11,974,317	11,076,805
Funds carried forward at 31 March 2023		12,303,871	874,000	13,177,871	11,974,317

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

All income and expenditure is derived from continuing activities.

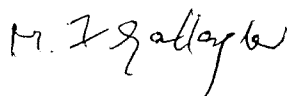
The notes on pages 30 to 39 form part of these financial statements.

MIDLAND MENCAP**CONSOLIDATED AND CHARITY BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Fixed Assets					
Tangible fixed assets	13	5,884,904	5,010,545	3,513,702	2,619,052
Investments at market value	14	921,841	921,841	966,835	966,835
		<u>6,806,745</u>	<u>5,932,386</u>	<u>4,480,537</u>	<u>3,585,887</u>
Current Assets					
Stock		1,187	1,187	1,187	1,187
Debtors	15	1,380,819	1,203,407	1,089,145	1,116,737
Cash at bank and in hand		5,122,304	4,850,113	6,306,345	5,879,626
Investments		900,000	900,000	900,000	900,000
		<u>7,404,310</u>	<u>6,954,707</u>	<u>8,296,677</u>	<u>7,897,550</u>
Creditors: Amounts falling due within one year	16	<u>(1,033,184)</u>	<u>(949,798)</u>	<u>(800,368)</u>	<u>(744,792)</u>
Net current assets		6,371,126	6,004,909	7,496,309	7,152,758
Total assets less total liabilities		13,177,871	11,937,295	11,976,846	10,738,645
Creditors: Amounts falling due after more than one year	17	-	-	(2,529)	(2,529)
Total net assets		<u>13,177,871</u>	<u>11,937,295</u>	<u>11,974,317</u>	<u>10,736,116</u>
Funds					
Unrestricted funds					
Free reserves	18	5,092,967	4,726,750	6,258,087	5,914,535
Tangible fixed assets		5,010,904	5,010,545	2,620,702	2,619,052
Financial commitments		-	-	2,528	2,529
Other designated funds		2,200,000	2,200,000	2,200,000	2,200,000
Restricted funds	18	874,000	-	893,000	-
Restricted reserves		<u>874,000</u>	<u>-</u>	<u>893,000</u>	<u>-</u>
		<u>13,177,871</u>	<u>11,937,295</u>	<u>11,974,317</u>	<u>10,736,116</u>

The charity has prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act

Approved by the Board of Trustees on 26 October 2023 and signed on their behalf by



M F GALLAGHER
Chairman

Registered charity in England and Wales - 1043360.
Company Registration Number - 03006451

The notes on pages 30 to 39 form part of these financial statements.

MIDLAND MENCAP**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Cash flows from operating activities:	27	1,254,525	1,072,149
Net cash provided by (used in) operating activities		1,254,525	1,072,149
Cash flows from investing activities:			
Purchase of tangible fixed assets		(2,538,438)	(16,009)
Purchase of fixed asset investments		(147,751)	(968,899)
Proceeds from sale of investments		140,255	-
Funds transferred to investment manager awaiting investment		-	(31,103)
Rent received		47,066	43,944
Interest received		62,831	7,607
Net cash provided by (used in) investing activities		(2,436,037)	(964,460)
Cash flows from financing activities:			
Finance lease instalments repayment		(2,529)	(6,379)
Net cash used in financing activities		(2,529)	(6,379)
Change in cash and cash equivalents in the reporting period		(1,184,041)	101,310
Cash and cash equivalents at the beginning of the reporting period		6,306,345	6,205,035
Cash and cash equivalents at the end of the reporting period		5,122,304	6,306,345

The notes on pages 30 to 39 form part of these financial statements.

MIDLAND MENCAP

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting Policies

Basis of preparing the financial statements

Midland Mencap is a charitable company in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

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

Basis of consolidation

The consolidated accounts incorporate the accounts of the parent charitable company and all group undertakings. Consolidation has been undertaken on a line-by-line basis. A separate statement of financial activities for the parent charitable company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they

For legacies, receipt must be recognised when it is probable that it will be received. Receipt is normally probable when: there has been a grant of probate; the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and any conditions attached to the legacy are either within the control of the charity or have been met.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for gross, on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the

Allocation and apportionment of costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Stocks

Stocks are valued at the lower of cost or net realisable value. Unsold donated items are not included.

Fixed assets

Fixed assets are included at cost or valuation, items below £1,000 will be normally expensed through the statement of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting Policies (continued)

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values of all fixed assets except freehold land, over their expected useful lives. It is calculated at the following rates:

Leasehold property	-	Over the period of the lease
Freehold property	-	Written off over 25 years and 50 years
Property additions	-	10% straight line
Office machinery	-	Between 10% and 35% straight line
Fixtures and fittings	-	Between 10% and 35% straight line
Motor Vehicles	-	25% straight line

Where the current value of a tangible fixed asset is found to be less than its carrying value, the asset is written down to its recoverable amount. The loss on impairment is charged to the appropriate expenditure category in the statement of financial activities. The charitable company currently has no assets to which impairment provisions apply.

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains are recognised within the statement of financial activities unless they reverse a charge for impairment that has previously been recognised as a cost within expenditure headings of the statement of financial activity. Revaluation losses are recognised as an expense in the relevant expenditure heading of the Statement of financial activities except to the extent to which they offset any previous revaluation gains, in which case the loss is shown in the 'Gains/(losses) on the revaluation of fixed assets section of the statement of financial activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund Accounting

Unrestricted funds are donations and other income resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity. The pension cost charge represents contributions paid by the charity to the fund.

Hire purchase and leasing commitments

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

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Critical accounting judgements and key sources of estimation uncertainty

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

Judgements made by the Trustees in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material misstatement in the next year, are deemed to be in relation to the depreciation rates of tangible fixed assets and are discussed above.

The areas where these judgements and estimates have been made include the following for the group:

a) Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all tangible fixed asset classes, and have concluded that the asset lives and residual values are appropriate.

MIDLAND MENCAP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023****2 Donations and legacies**

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations	7,897		7,897	25,789
Legacies	-		-	83,989
Grants	370,736	542,348	913,084	1,132,809
	<u>378,633</u>	<u>542,348</u>	<u>920,981</u>	<u>1,242,587</u>

Of the £1,242,587 income received in 2022, £643,471 was restricted income and £599,116 was unrestricted income.

3 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Bar Sales	726	-	726	-
Community Café	7,592	-	7,592	1,461
	<u>8,318</u>	<u>-</u>	<u>8,318</u>	<u>1,461</u>

In 2022 all income related to unrestricted funds.

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Rental income	47,066	-	47,066	43,944
Interest receivable	62,831	-	62,831	7,607
	<u>109,897</u>	<u>-</u>	<u>109,897</u>	<u>51,551</u>

In 2022 all income related to unrestricted funds.

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Carers activities (Forward carers)	704,243	-	704,243	676,768
Domcare fees	4,598,873	-	4,598,873	4,566,047
Supporting People	1,789,427	-	1,789,427	1,319,308
HB & Residents contributions	840,443	-	840,443	758,311
Activity and travel contributions	85,991	-	85,991	48,829
Other contributions	36,175	-	36,175	45,989
PA Service	507,368	-	507,368	364,721
	<u>8,562,520</u>	<u>-</u>	<u>8,562,520</u>	<u>7,779,973</u>

In 2022 all income related to unrestricted funds.

6 Other income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Miscellaneous income	6,795	-	6,795	9,114
	<u>6,795</u>	<u>-</u>	<u>6,795</u>	<u>9,114</u>

In 2022 all income related to unrestricted funds.

MIDLAND MENCAP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023****7 Charitable activity costs**

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Salaries, wages and social security	6,298,228	405,693	6,703,921	6,427,930
Other staff costs	59,528	11,188	70,716	113,419
Direct costs for charitable activities	315,670	36,965	352,635	455,793
Office, support and admin costs	855,863	85,129	940,992	851,282
Governance (see note 8)	113,594	3,373	116,967	117,101
Depreciation	148,236	19,000	167,236	188,484
	<u>7,791,119</u>	<u>561,348</u>	<u>8,352,467</u>	<u>8,154,009</u>

Of the £8,154,009 in 2022, £662,471 was restricted expenditure and £7,491,538 was unrestricted.

8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Salaries and social security	41,533	-	41,533	39,000
Audit fee	25,336	1,016	26,352	21,150
Audit fee - prior year under provision	-	-	-	18,565
Travel expenses	298	32	330	47
Payroll charges	-	-	-	720
HR consultancy	45,408	2,324	47,732	36,599
Affiliation	1,020	-	1,020	1,020
	<u>113,594</u>	<u>3,373</u>	<u>116,967</u>	<u>117,101</u>

Of the £117,101 in 2022, £2,477 was restricted expenditure and £114,624 was unrestricted.

Expenditure not directly attributable to governance has been apportioned on an appropriate basis such as staff time or usage.

9 Net Group income for the year

Net income is stated after charging/(crediting):

	2023 £	2022 £
Rentals from operating leases	278,883	245,173
Auditors' remuneration - current year	26,352	21,150
Auditors' remuneration - prior year under provision	-	18,565
Depreciation - owned assets	<u>167,236</u>	<u>188,484</u>

10 Trustees' remuneration and benefits

There was no trustees' remuneration nor other benefits for both the year ended 31 March 2023 and the year ended 31 March 2022.

Trustees' expenses

The total amount reimbursed for out of pocket expenses in relation to travel amounted to £277 (2022: £47).

11 Staff costs

	2023 £	2022 £
Wages and salaries	6,188,873	5,948,228
Social security costs	412,081	413,454
Other pension costs	102,967	105,248
	<u>6,703,921</u>	<u>6,466,930</u>

MIDLAND MENCAP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11 Staff costs (continued)

The average number of employees during the year was:

Management	15	16
Admin	17	17
Operational	351	353
	383	386
	383	386

The number of employees whose employee benefits (excluding employers pension costs) exceeded £60,000 was:

	2023	2022
	£	£
£100,000 - £110,000	1	1
£80,000 - £90,000	1	1
£60,000 - £70,000	1	2
	3	4
	3	4

The total amount of employee benefits received by key management personnel is £469,362 (2022: £465,438). The key management personnel of the Charity comprise, the trustees and senior managers.

12 Pension scheme

The Charitable group contributes to group personal pension plans for certain employees. Midland Mencap continues to comply with Work Place Pensions law by making contributions to the new pension scheme for all eligible employees. All employees who qualify are automatically enrolled into the pension scheme. Those employees who are not automatically eligible are given the opportunity to opt into the pension scheme. The employer contribution is 3% in line with the Pension regulators requirements. The old pension scheme was closed to new entrants so it is set to remain stable or decrease as employees make career moves. The charge in the Statement of Financial Activities represents contributions paid by Midland Mencap in respect of the year ended 31 March 2023 amounted to £112,118 (2022: £105,248).

13 Tangible fixed assets

<u>Group</u>	Freehold property £	Leasehold property £	Office Equipment £	Fixtures & fitting £	Motor vehicles £	Total £
Cost						
As at 1 April 2022	3,614,783	612,434	240,014	318,246	40,889	4,826,366
Additions	2,447,614	46,907	15,625	28,292	-	2,538,438
Disposals	-	-	-	-	-	-
	6,062,397	659,341	255,639	346,538	40,889	7,364,804
	6,062,397	659,341	255,639	346,538	40,889	7,364,804
Depreciation						
As at 1 April 2022	233,163	594,573	203,293	257,064	24,571	1,312,664
Charge for the period	73,493	2,750	24,710	57,005	9,278	167,236
Eliminated on disposal	-	-	-	-	-	-
	306,656	597,323	228,003	314,069	33,849	1,479,900
	306,656	597,323	228,003	314,069	33,849	1,479,900
Net book value						
As at 31 March 2023	5,755,741	62,018	27,636	32,469	7,040	5,884,904
	5,755,741	62,018	27,636	32,469	7,040	5,884,904
As at 31 March 2022	3,381,620	17,861	36,721	61,182	16,318	3,513,702
	3,381,620	17,861	36,721	61,182	16,318	3,513,702

The charity lets a portion of its freehold property to another charity with similar charitable purposes and receives a rental income for this arrangement.

MIDLAND MENCAP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13 Tangible fixed assets (continued)

<u>Charity</u>	Freehold property £	Leasehold property £	Office Equipment £	Fixtures & fitting £	Motor vehicles £	Total £
Cost						
As at 1 April 2022	2,664,783	612,434	235,955	316,596	40,889	3,870,657
Additions	2,447,614	46,907	15,625	28,292	-	2,538,438
Disposals	-	-	-	-	-	-
As at 31 March 2023	5,112,397	659,341	251,580	344,888	40,889	6,409,095
Depreciation						
As at 1 April 2022	176,164	594,573	200,610	255,687	24,571	1,251,605
Charge for the period	54,493	2,750	23,695	56,729	9,278	146,945
Eliminated on disposal	-	-	-	-	-	-
As at 31 March 2023	230,657	597,323	224,305	312,416	33,849	1,398,550
Net book value						
As at 31 March 2023	4,881,740	62,018	27,275	32,472	7,040	5,010,545
As at 31 March 2022	2,488,619	17,861	35,345	60,909	16,318	2,619,052

The net book value as at 31 March 2023 represents fixed assets used for direct charitable purposes .

Freehold property includes £375,257 for the costs of land, which is not depreciated.

14 Fixed asset investments

Group and charity

	2023
	£
Market value at 1 April	966,835
Additions at cost	147,751
Disposals at opening book value	(113,054)
Realised (losses)	(370)
Net unrealised investment (losses)	(52,120)
Movement on cash account	(27,201)
Market value at 31 March 2023	921,841

Historical cost of investments at 31 March 2023

870,117

	2023	2022
	£	£
The market value of investments as at 31 March 2023 can be analysed as:		
Investment assets in the UK	223,354	268,974
Investment assets outside the UK	698,487	697,861
	921,841	966,835

	2023	2022
	£	£
The market value of investments is made up of:		
Listed investments	917,066	934,862
Cash	4,775	31,973
	921,841	966,835

MIDLAND MENCAP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15 Debtors

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade debtors	942,456	808,435	611,193	691,881
Prepayments	49,449	46,050	54,712	49,442
Accrued income	388,914	348,922	423,240	375,414
	<u>1,380,819</u>	<u>1,203,407</u>	<u>1,089,145</u>	<u>1,116,737</u>

16 Creditors: amounts falling due within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade creditors	-	119,377	-	-
Social security and other taxes	111,352	102,820	124,227	115,594
Other creditors	623,560	438,534	169,017	132,195
Amounts owed to group undertakings	-	4,443	-	-
Accruals	85,999	72,351	487,014	476,893
Deferred income	212,273	212,273	20,110	20,110
	<u>1,033,184</u>	<u>949,798</u>	<u>800,368</u>	<u>744,792</u>

17 Creditors: amounts falling due after more than one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Obligations under finance leases	-	-	2,529	2,529
	<u>-</u>	<u>-</u>	<u>2,529</u>	<u>2,529</u>

18 Movement in funds

<u>Group</u>	Opening balance £	Incoming resources £	Outgoing resources £	Investment gains £	Transfers £	Closing balance £
Unrestricted funds						
Free reserves	6,258,087	9,066,163	(7,642,883)	(52,490)	(2,535,910)	5,092,967
Designated funds						
Tangible fixed assets	2,620,702	-	(148,236)	-	2,538,438	5,010,904
Financial commitments	2,528	-	-	-	(2,528)	-
Other designated funds	2,200,000	-	-	-	-	2,200,000
	<u>11,081,317</u>	<u>9,066,163</u>	<u>(7,791,119)</u>	<u>(52,490)</u>	<u>-</u>	<u>12,303,871</u>
Restricted funds						
Community Hub	-	100,000	(100,000)	-	-	-
Walsall Hub	-	42,084	(42,084)	-	-	-
Walsall Groups	-	7,000	(7,000)	-	-	-
CYP Commission	-	233,978	(233,978)	-	-	-
Birmingham Multi-Care	-	159,286	(159,286)	-	-	-
Freehold property - BMC	893,000	-	(19,000)	-	-	874,000
Total Restricted funds	<u>893,000</u>	<u>542,348</u>	<u>(561,348)</u>	<u>-</u>	<u>-</u>	<u>874,000</u>
	<u>11,974,317</u>	<u>9,608,511</u>	<u>(8,352,467)</u>	<u>(52,490)</u>	<u>-</u>	<u>13,177,871</u>
Total Funds	<u>11,974,317</u>	<u>9,608,511</u>	<u>(8,352,467)</u>	<u>(52,490)</u>	<u>-</u>	<u>13,177,871</u>

The £2,200,000 reserves are designated to Domcare services (£800k), IT system investment (£400k), Community Hub project (£500k) and new business development funds of (£500k).

MIDLAND MENCAP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18 Movement in funds (continued)

Restricted funds:

The Community Hub – is a service for adults with learning disability, offering meaningful daytime opportunities and activities such as education, training and leisure. The staff consults individuals, their carers and families, to tailor services to suit their needs and wishes, arranging support and activities, and signposting to other relevant agents if necessary. You Choose service is part of the Community Hub grant that gives information and advice, using person-centred approaches, to young people with learning disabilities in the transition period of moving from education to adult life. Staff helps the service-user to plan and organise their care support, exploring their options, in a culturally sensitive way to meet their everyday needs, and give practical advice in managing their finances.

The Walsall Hub – is a service for all people with a learning disability, offering opportunities and activities such as education, leisure and training. The services are provided in a bespoke setting in Walsall town centre. Walsall City Council provides funding towards the building and clubs.

Walsall Groups – is a service facilitating social groups for people with a learning disability and receives funding from Walsall Council.

Sports England - Park Ride is a Sports England funded project that facilitates an inclusive family cycling project that provides the whole family, regardless of age or need with the opportunity to enjoy the great outdoors together by using a range of adapted and mainstream bikes.

Children's Commissioned Services – offer short breaks usually in 2 hour blocks to family carers. This gives them some free time to pursue their own interests, secure in the knowledge that their dependent is professionally supported, whether at home or on planned

Birmingham Multi-Care Restricted income – Birmingham City Council funds the two respite care homes and the day centre to provide respite care and day time activities for Birmingham Multi+B735-Care's citizens and carers.

Freehold property BMC represents the value of the properties held in the subsidiary Birmingham Multi-care Support Services Limited.

19 Analysis of net assets between funds

	General £	Restricted £	Total £
Group (current year)			
Tangible fixed assets	5,010,904	874,000	5,884,904
Fixed asset investments	921,841		921,841
Stocks	1,187	-	1,187
Debtors	1,380,819	-	1,380,819
Cast at bank and in hand	5,122,304	-	5,122,304
Investments	900,000	-	900,000
Creditors (due within one year)	(1,033,184)	-	(1,033,184)
Creditors (due after more than one year)	-	-	-
Balance as at 31 March 2023	12,303,871	874,000	13,177,871
Group (previous year)			
Tangible fixed assets	2,620,702	893,000	3,513,702
Fixed asset investments	966,835		966,835
Stocks	1,187	-	1,187
Debtors	1,089,145	-	1,089,145
Cast at bank and in hand	6,306,345	-	6,306,345
Investments	900,000	-	900,000
Creditors (due within one year)	(800,368)	-	(800,368)
Creditors (due after more than one year)	(2,529)	-	(2,529)
Balance as at 31 March 2023	11,081,317	893,000	11,974,317

MIDLAND MENCAP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

19 Analysis of net assets between funds (continued)

	General £	Restricted £	Total £
<u>Company (current year)</u>			
Tangible fixed assets	5,010,545	-	5,010,545
Fixed asset investments	921,841	-	921,841
Stocks	1,187	-	1,187
Debtors	1,203,407	-	1,203,407
Cast at bank and in hand	4,850,113	-	4,850,113
Investments	900,000	-	900,000
Creditors (due within one year)	(949,798)	-	(949,798)
Creditors (due after more than one year)	-	-	-
Balance as at 31 March 2023	11,937,295	-	11,937,295
<u>Company (previous year)</u>			
Tangible fixed assets	2,619,052	-	2,619,052
Fixed asset investments	966,835	-	966,835
Stocks	1,187	-	1,187
Debtors	1,116,737	-	1,116,737
Cast at bank and in hand	5,879,626	-	5,879,626
Investments	900,000	-	900,000
Creditors (due within one year)	(744,792)	-	(744,792)
Creditors (due after more than one year)	(2,529)	-	(2,529)
Balance as at 31 March 2022	10,736,116	-	10,736,116

20 Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows;

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Within one year	204,119	204,119	248,880	248,880
Between one and five years	805,334	805,334	661,560	661,560
Greater than five years	1,226,451	1,226,451	1,121,950	1,121,950
	2,235,904	2,235,904	2,032,390	2,032,390

21 Pension costs

The company operates a defined contribution pension scheme for its employees. The charge to the general fund for the period was £112,118 (2022: £94,958).

22 Related party disclosures

There were no related party transactions between Midland Mencap and its trustees during the year ended 31 March 2023.

Birmingham Multi-Care Support Services Limited is a wholly owned subsidiary of Midland Mencap. Midland Mencap provides all functions of financial services, strategic and operational management. Amounts charged to Birmingham Multi-Care Support Services Limited to cover these costs totals £98,706. Balance due from Birmingham Multi-Care Support Services Limited at the year end is £45,876.

Midland Mencap is a member of Forward Carers Consortium Limited and the CEO of Midland Mencap is a Board Director of the Consortium. Midland Mencap facilitated the transition of Forward Carers Consortium Limited from being a Midland Mencap project to delivering the project independently as a social enterprise organisation. In 2022/23 the total value of transactions to CERS, Family Carers and management services amounted to £594,601 (2022: £520,918). The amount due to Midland Mencap at 31 March 2023 was £31,151 (2022: £66,286).

MIDLAND MENCAP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

23 Ultimate controlling party

The company is under the control of its trustees.

24 Post balance sheet events

On 10 July 2023 the Group entered an agreement to acquire property for a consideration of £385,000. A deposit of £3,000 was paid on the same date to secure the transaction.

26 Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£	£
Net income for the reporting period (as per the statement of financial activities):	1,203,554	897,512
Adjustments for:		
Depreciation charges	167,236	188,484
Losses on investments	370	-
Interest received	(62,831)	(7,607)
Rent received	(47,066)	(43,944)
Unrealised loss on investments	52,120	33,165
(Increase) in stocks	-	(17)
(Increase) in debtors	(291,674)	(143,927)
Increase in creditors	232,816	148,483
Net cash provided by (used in) operating activities	1,254,525	1,072,149

27 Analysis of changes in net funds

	At 1/4/2022	Cash flow	At 31/3/2023
	£	£	£
Net cash			
Cash at bank	6,306,345	(1,184,041)	5,122,304
Total	6,306,345	(1,184,041)	5,122,304

28 Net income from activities of subsidiary

Birmingham Multi-Care Support Services Limited, the wholly owned subsidiary of the charity is a charity providing care and support to people in Birmingham who have multiple disabilities and respite to their Parents and Carers. A summary of its results for the year to 31 March 2023 are shown below.

Audited accounts will be filed with the Registrar of Companies.

	2023	2022
	£	£
Incoming resources	827,214	927,073
Resources expended	(821,414)	(790,299)
Net expenditure	5,800	136,774

The assets and liabilities at 31 March were:

Fixed assets	874,360	894,649
Current assets	507,808	570,944
Current liabilities	(138,168)	(227,393)
Net Assets	1,244,000	1,238,200
Total funds		
Unrestricted funds	370,000	345,200
Restricted funds	874,000	893,000
	1,244,000	1,238,200

MIDLAND MENCAP

England & Wales - Charity number 1043360

Accounts

Charity Registration No. 1043360

Company Registration No. 03006451 (England and Wales)

MIDLAND MENCAP

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



MIDLAND MENCAP

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MIDLAND MENCAP

Legal and Administrative Information

Registered Charity Name Midland Mencap

Status

The Organisation is a charitable company limited by guarantee and not having a share capital, incorporated in January 1995 and registered as a charity. The Company was established by its Memorandum of Association which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The Memorandum and articles of association were amended and a resolution was passed at a Special General Meeting held on 31 October 2018. The Charity Commission has also approved the amendments to the governing documents.

Registered Charity number 1043360

Company number 03006451

Trustees M F Gallagher – Chairman
R C Young – Resigned 26 August 2022
K Gujral
J Cleminson
V M Penney - Resigned 30 September 2021
C McGinley
Dr F M McConnell
N P Green - Appointed 25 February 2022
C S Proctor - Appointed 29 April 2022
N Smith - Appointed 31 October 2022

Principal address and registered office Unit E, Pinewood
Bell Heath Way
Woodgate Business Park
Birmingham
B32 3BZ

Auditors Cooper Parry Group Limited
Cubo Birmingham, Office 401
4th Floor, Two Chamberlain Square
B3 3AX

Bankers Unity Trust Bank
Four Brindleyplace
Birmingham
B1 2JB

Chief Executive D Rogers

MIDLAND MENCAP

TRUSTEES' REPORT

For the year ended 31 March 2022

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary ("the Group") for the year ending 31 March 2022 which are also prepared to meet the requirements of a Directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Mission

Midland Mencap works and campaigns for accessible and inclusive services and a better quality of life for everyone with experience of learning disability by advancing the views, needs and ambitions of people with experience of learning disability, promoting inclusion through challenging prejudice and discrimination, influencing social policy through campaigning, inspiring, developing and delivering innovative quality services which express inclusion, integration, expressed need and diversity and achieving equality of civil and legal rights through campaigning.

Trustees

The Trustees, who are also the Directors for the purpose of company law, who served during the year were:

M F Gallagher – Chairman
R C Young – Resigned 26 August 2022
K Gujral
J Cleminson
V M Penney - Resigned 30 September 2021
C McGinley
Dr F M McConnell
N P Green – Appointed 25 February 2022
C S Proctor – Appointed 29 April 2022
N Smith – Appointed 31 October 2022

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the company. The Trustees and other members guarantee to contribute £1 in the event of an insolvent winding up. N Smith is a Trustee and a shadow Director of the Charitable Company.

MIDLAND MENCAP

TRUSTEES' REPORT

For the year ended 31 March 2022

Organisational Structure

The business of the Charity is managed by the Trustees acting as members and the Executive Committee. The Committee consists of the honorary officers of the Charity; up to twelve other members are appointed by the Board. The number of Executive Committee members may not be less than eight.

On 31 October 2018 a special general meeting was held to pass a special resolution allowing the Charity to now be governed by the revised Memorandum and Articles of Association. The Charity Commission has approved amendments to the organisation's Memorandum and Articles of Association and Charity's Objectives.

The Board of Trustees continues to delegate the responsibility for the day to day management of the Charity business to the Chief Executive and the senior management team. There is a clear distinction between the roles of the trustees and the senior management team. The senior management team is responsible for the production of strategic and operational plans, policies and budgets which are presented to the board of trustees for consideration, approval and monitoring. Board meetings are held regularly in order to update the Trustees on the activities and financial performance of the Charity.

Trustee Recruitment

When recruiting new Trustees the existing Trustees look for those individuals whose skills and experience can make a significant contribution to the management of the Charitable Company.

All new Trustees are made aware of their responsibilities as Charity Trustees and Company Directors and are helped to familiarise themselves with the practical and financial aspects of the Charitable Company's operations. To help them they are provided with a copy of the Company's Memorandum and Articles of Association, the latest published accounts, the Charitable Company's mission statement and appropriate Charity Commission publications.

OBJECTIVES AND ACTIVITIES

The current organisational strategy continues to steer the organisation against a backdrop of extreme challenges and uncertainty of funding that is facing the Third Sector. However, Midland Mencap continues to deliver a progressive and solution based strategy that continues to identify opportunities for growth in our service delivery in order to best serve people with disabilities and their families and carers regardless of age, gender and ethnicity. In delivering Midland Mencap's aims and objectives we will endeavour:

- To consolidate Midland Mencap's position as a leading disability provider in the West Midlands.
- To embed the recent governance changes within our offer to citizens and families that both strengthen and broaden access to Midland Mencap's three core offers.
- To further develop the robustness and effectiveness of the organisation's governance with ongoing commitment to Board development and trustee recruitment.
- To be a sector lead in the delivery of Universal Prevention Services.
- To align our Housing with Care & Support offer to proposed Prevention First and lifestyle commissioning of social care and Public Health.
- To position Midland Mencap core services with regional local authorities, West Midlands Combined Authority and other prospective funders.
- To work with partner organisations in securing Community Asset Transfer opportunities and mergers where they are consistent with Midland Mencap's core mission.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2022

OBJECTIVES AND ACTIVITIES (continued)

- To deliver on the expectations of our registration on Birmingham City Council's Business Charter for Social Responsibility.
- To continue to invest in our Housing provision.
- Working with citizens and family carers, as key partners, continue developing the organisational community offer promoting inclusion, well-being, and active lifestyles relevant to changing needs and rising demand.
- To continue to explore and diversify our funding streams in order to ensure continuity of projects that promote the core mission of Midland Mencap.
- To continue to explore and develop IT advancement and systems that promotes productivity and smooth delivery of our services..
- To continue to deliver a comprehensive volunteering strategy that meets the core mission of Midland Mencap.
- To maximise the use of marketing and social media to achieve recognition that promotes the work of Midland Mencap.
- To modernise and streamline the way we work .
- To raise more income through our fundraising and the development of corporate relationships.
- To continue to build capacity and resilience of our subsidiary organisation.
- To focus on our expertise and obtaining necessary expertise as a base for entering new market segments.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charitable Company and in planning any future activities. The trustees always ensure that their strategic and operational objectives are carried out for the public benefit. This is achieved through the provision of a wide range of services to people with learning disabilities. This annual report demonstrates how Midland Mencap has spent funds available towards meeting its charitable objectives.

Review of financial position

Midland Mencap continues to hold 100% stake in its subsidiary, Birmingham Multi-Care Support Services. This is a charitable company, limited by guarantee, whose mission, values, objectives and activities align with those of Midland Mencap. As such the Midland Mencap financial statements are reported as consolidated accounts in accordance with relevant Accounting Standards.

The total consolidated income of £9,084,686 included £927,073 income from the subsidiary and the total expenditure of £8,154,009 included £705,506 (before intercompany recharges of £84,795). The subsidiary reported a surplus of £136,774 and the overall group performance reported a surplus of £897,512. The consolidated total reserves are £11,974,317 of which £6,258,087 are free reserves, £3,513,702 is designated to fixed assets and £2,200,000 are designated funds to Domcare services, IT system investment, Community Hub project and new business development funds. The group continues to have sufficient cash flows to carry out its charitable objectives.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2022

As explained in the reserves policy below, some reserves have been designated to meet planned expenditure and projects expected to be undertaken in the coming financial year. £2,2m has been designated to Domcare, new business development to ensure funding diversification and funding the growth and sustainability of Midland Mencap's Community services in the face of funding cuts against an increased demand for services.

The £893k in restricted reserves is attributed to Birmingham Multi-Care properties with a proviso that the monies be repaid to the trust, local and central government departments should certain conditions not be met.

Covid-19 impact and review

Throughout this year the Board have been acutely conscious that this has been a year of recovery from the pandemic. Working with the leadership team our work and support has focussed on supporting our workforce, ensuring the financial and operational stability of the organisation is maintained whilst continuing to pursue our strategic objectives. Despite the challenges that the pandemic presented the organisation has maintained a high quality of service in meeting increasing demand which has seen us expand our services in Worcestershire, Warwickshire, Coventry, Walsall, and Sandwell as well as consolidate our service offer in Birmingham.

Continuous risk reviews were carried out to ensure that Midland Mencap continues to deliver its operational services. The closure of the local authority day centres meant that our Domcare and support services provided extra hours of services which resulted in an increased income. The Housing offer had a steady income due to restricted movement of tenants and Covid-19 community infection control measures. Despite the fall in income our Children and Community service, the extra Domcare delivery income and continued grant payments from local authorities, Midland Mencap has ended the 2021/22 year with a surplus. Due to restricted movement in our Housing offer.

Due to the overall strong cash flow and financial performance, it is reasonable to conclude that the organisation is a going concern at the date of signing off these financial statements.

Reserves policy

Over the last fifteen years Midland Mencap has built up substantial assets and cash reserves. The Trustees and Executive recognise that though the level of reserves provides the charity with significant financial security it also potentially inhibits relationships with existing or potential funders.

Having a reserves policy and clear explanations on why reserves are held at particular levels is a key part of the internal financial management of the organisation allowing the Trustees and management team to manage resources effectively and plan for the future.

Free reserves are the funds Midland Mencap can expend on any of its charitable purposes without external restrictions from funders. This does however exclude restricted funds as these must be spent for a specific purpose that it was initially intended by the funder. The free reserves also exclude the organisations tangible fixed assets held for the

MIDLAND MENCAP

TRUSTEES' REPORT (continued)

For year ended 31 March 2022

charity's own use. This is because these assets are used by Midland Mencap to deliver activities and as such will not be instantly be converted to cash in order to meet a funding deficit should such need arise. In addition to this, designated funds are also excluded from free reserves. The designated funds are set aside to meet essential and specific short to medium term liabilities and projects that advance the organisation's charitable aims and objectives.

Therefore Midland Mencap's strategic plans have and will be developed to utilise the remaining free reserves to:

- Protect the financial stability of the organisation.
- Invest in IT infrastructure that will ensure efficient and effective operational processes.
- Facilitate the strategic and planned investment in growing our Community Hub offer to ensure its self-sustainability and wider reach.
- Allow the organisation to operate uninterrupted services in the event of funding delay or substantial funding cuts.
- Fund the organisation's growth strategy especially for new geographical areas.

Further to the use of free reserves outlined above, below are the details of the circumstances in which the free reserves will be utilised:

- To ensure funds are available for unforeseen emergencies or other unexpected needs, for example unexpected property repairs or funding for an urgent project opportunities.
- Unforeseen day to day operational costs.
- Grant income not being renewed.
- Planned commitments which may need higher levels of reserves.
- Funds to allow for increased beneficiary need.
- The need to fund short-term deficits in a cash budget, for example, money may need to be spent before funding is received.
- Staff retention

In 2021/2022, the consolidated total reserves are £11,974,317. Of this total, £6,258,087 are free reserves, £3,513,702 designated to fixed assets (£893k restricted) and £2,202,528 designated to projects and liabilities.

The Trustees consider that the current level of reserves will ensure that, in the event of a significant drop in funding, they will be able to continue the Charitable Company's current activities whilst consideration is given to ways in which additional funds may be raised. The reserves levels are monitored and maintained throughout the year.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2022

Risk factors

The board of Trustees continually assess the risks to which the charity is exposed and systems have been put in place to mitigate these risks. Internal controls have been put in place to minimise operational risks by implementing an active and rigorous policy on safeguarding and health and safety procedures. Internal financial risks have been minimised by continual review and implementation of authorisation and monitoring of all transactions. Risks to future income and expenditure levels are monitored by setting annual budgets and monitoring actual performance on a monthly basis and this is reported to trustees at every board meeting. Where significant financial risk still remains, the board has ensured proper insurance cover.

The following table explains the principal risks that have been identified and could seriously impact on the charity's performance and future prospects and the steps taken to mitigate such risks.

Potential risk	Potential impact	Steps to mitigate risk
Dependency on income sources	<ul style="list-style-type: none">• Cash flow and budget impact of loss of income source.	<ul style="list-style-type: none">• Identification of major dependencies and finding alternative income sources well before end of contracts with major funders.• Adequate reserves policy.• Diversification of income streams.
Relationship with funders	<ul style="list-style-type: none">• Deterioration in relationship may impact on funding and support available.	<ul style="list-style-type: none">• Regular contact and briefings to major funders.• Project reporting as per required timelines by the funder.• Meeting funders' terms, conditions and requirements.
Government Policy	<ul style="list-style-type: none">• Availability of contract and grant funding.• Impact of tax regime on voluntary giving.• Impact of general legislation or regulation on how services are delivered.• Role of voluntary sector.	<ul style="list-style-type: none">• Monitoring of proposed legal and regulatory changes.• Membership of umbrella bodies that advocate for rights of people with learning disabilities.
Investment	<ul style="list-style-type: none">• Global market instability.• Unforeseen ethical issues.	<ul style="list-style-type: none">• Spread of risk on investment portfolios.• Regular reviews by investment managers on risk to portfolios.• Regular reviews by the investment management system to ensure investments are in line with charitable objectives.

MIDLAND MENCAP

TRUSTEES' REPORT (continued)

For year ended 31 March 2022

Risk factors (continued)

Project or service development	<ul style="list-style-type: none"> • Compatibility with objects, plans and priorities. • Funding and financial viability. • Project viability. • Skills availability. 	<ul style="list-style-type: none"> • Project appraisal and costing procedures to ensure that new projects are viable and within the charity's objectives. • Authorisation procedures followed to ensure proper allocation of income and expenditure. • Monitoring and reporting procedures to ensure project's progress is in line with available funding
Disaster recovery and planning	<ul style="list-style-type: none"> • Computer system failures or loss of data. • Destruction of property, equipment, records through fire, flood or similar damage. 	<ul style="list-style-type: none"> • Information systems recovery plan. • Data backup procedures and precautions. • Insurance cover. • Disaster recovery plan for alternative accommodation.
Competition	<ul style="list-style-type: none"> • Loss of contract income. • Reduced fund-raising potential • Reduced profile. • Profitability of trading activities. 	<ul style="list-style-type: none"> • Monitoring performance and quality of service to ensure that we maintain and improve the quality of service • Review of market and methods of service delivery to find ways of delivering services that helps Midland Mencap to stand out. • Fund-raising strategy to promote public awareness and our external profile within and outside our sector.
Subsidiary company	<ul style="list-style-type: none"> • Staff integration and TUPE • Integration of systems, policies and processes • Historical liabilities and contract commitments • Extra funding requirements 	<ul style="list-style-type: none"> • Through due diligence of policies, processes, contracts • Continued liquidity reviews • Review transferability of historical contracts and properties • TUPE audit • Operation's continuity reviews

MIDLAND MENCAP

TRUSTEES' REPORT (continued) **For year ended 31 March 2022**

Employee remuneration

Midland Mencap aims to pay salaries that are fair and competitive within the charity sector in order to retain qualified staff. The remuneration of the senior management team is set and approved by the board of trustees' who benchmark their decision based on pay levels of similar sized charities.

Our key management personnel are the Chief Executive, Director of Operations, Head of Housing Care and support, Head of Community Operations and Head of Finance.

Midland Mencap is committed to paying the Living Wage as set by Birmingham Business Charter.


Going Concern

The Trustees are satisfied that there are sufficient assets and funds for the Charitable Company to remain a going concern as explained in the notes to the financial statements below.

Related parties

The Charity is affiliated to Royal Mencap, Mencap National Centre, 123 Golden Lane, London, EC1Y 0RT.

This report was approved by the trustees on 22 November 2022 and signed on their behalf by:


M F Gallagher – Chairman

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services

Midland Mencap's Housing, Care and Support Services encompass a range of services namely Home Support, Supported Living, and the Carers Emergency Response Service (CERS) under our CQC registered domiciliary care services, Learning Disability Community Wellbeing Service (CWS), Sitting Service, Placing Vulnerable Urban Residents into Employment and Training (PURE) and Housing Management Services.

Driven by our ethos to deliver high quality care and support services and to deliver these to a high standard centred on the Care Quality Commissions five key areas of safe, effective, caring, responsive and well-led, the right to safe, secure, housing with the right support at the right time remains the cornerstone of Midland Mencap's offer to citizens. We continue to maintain the high specification of our existing portfolio of housing stock for people with a learning disability, our current portfolio of properties consists of: -

- Ludford Close 24 studio apartments
 2 x 1-bedroom flats
 1 x 3-bedroom flat

- Dunnigan Road 1 x 3-bed, fully accessible, bungalow
 1 x 2-bed, fully accessible, bungalow

- Underwood Close 2 x 3 bed, fully accessible, bungalow
 7 x 1-bedroom flat
 7 x 2-bedroom flats

- Kings Lodge 7 x 1-bed flats
 2 x 2-bed flats
 3 x fully accessible bungalows

- Cornbrook Road 2 x 3 bed, shared, houses

We have also purchased a two-bedroom, accessible bungalow in Nailers Close, Quinton. This property has undergone a full refurbishment and we will soon be supporting a citizen who is inappropriately housed in a high rise flat to relocate to this property thus affording them a smart, modern, larger living environment that better suits their needs and will enhance their quality of life.

By managing our own housing stock, we continue to have the invaluable opportunity to model the interiors and adapt these to meet individual needs to ensure they offer the opportunity for those with the most complex of disabilities to enjoy high quality, independent living.

A large proportion of Midland Mencap's Housing, Care and Support services are based on the provision of social care and health services. The service provides support with personal care, independent living and accessing social, recreational and leisure activities within the local and wider community. The service is available to children, young people and adults. All the services are built upon the provision of personalised support, independent living

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

and accessing social, recreational and leisure activities. Services are provided in a manner flexible enough to meet peoples' individual needs, as specified in their own Personal Citizen Plan.

Housing, Care and Support continue to drive new digital technology and software across the organisation, improving a range of previously paper driven processes. We continue to expend tremendous resources in modelling our Unique:IQ software into a bespoke, tailor-made, solution to meet the whole organisation's needs. This is a complete care management software package that supports us to manage our end-to-end operational requirements from rostering, care planning, monitoring and time and attendance, electronic daily logs through to electronic payroll and invoicing. This will support the organisation to eliminate paper-based procedures, achieve operational efficiencies and reduce admin time and costs.

COVID-19, and the social isolation experienced throughout this, has impacted the already growing demand for mental health services and this is exacerbated by prolonged economic impacts and the cost-of-living crisis. We remain committed to working with health colleagues and local authorities to enhance team working and to deliver a service that focusses on the individual's needs.

With ever decreasing resources and the continuation and potential worsening of central government austerity policies this has remained a challenging environment for both the recipient of support and the provider. Housing, Care and Support services have this year continued to advocate for the citizen in ensuring individuals continue to receive the right amount of support at the right time. Indeed, whilst many services suffered due to COVID-19, we experienced a large-scale increase in our service delivery as many of the people who use our services would ordinarily attend a day placement/day centre. Due to COVID-19 restrictions these have remained closed, or have partially opened with limited availability, thus meaning that additional care and support has been required to ensure that individuals remain safe and well in their own home environments.

In addition to this we have also encountered increased staff absences and experience unprecedented problems around recruitment. The health and social care sector are still dealing with the emotional toll of the pandemic and frontline health and social care workers are too burned out to now deal with the added pressures around the cost-of-living crisis which is pushing people who are in secure employment into poverty and with many individuals now having to access foodbanks to make ends meet.

Home Support/Supported Living & Learning Disability Community Wellbeing Service

Across the year our care and support teams have delivered 325,656 hours of home-based care and housing support to individuals' right across Birmingham. Our home support and supported living services operate twenty-four hours a day, seven days of the week.

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

We have: -

- Delivered 216,685 hours of home care/supported living.
- Delivered 68,000 hours of tenancy related support
- Delivered 12,518 waking night hours.
- Delivered 28,453 sleep-in hours.
- Supported 364 individuals with tenancy related support.
- Supported 5 individuals with home support.
- Supported 105 individuals with supported living.
- 29 individuals 'floated off' from our Community Wellbeing Service having been supported to live with full independence across this period.

Our services have been provided by a phenomenal group of frontline social care workers who have worked tirelessly and diligently to ensure that all the people who use our services have received high-quality, person-centred care this is despite the risks faced by our frontline staff and their families. We cannot commend our workforce enough for the service they have provided, ensuring that all critical care calls were made throughout the whole pandemic this is without mentioning the emotional support that they provided in ensuring that peoples spirits were kept up amongst those that were unable to go outside at the height of the pandemic.

Likewise, there was no break in frontline services for any citizen receiving tenancy related support via our Community Wellbeing Service. Face-to-face calls remained for anyone who required or wanted this, with additional doorstep visits carried out routinely supporting with additional shopping/pharmacy runs as well as weekly well-being calls.

Ensuring our staff have the right range of skills to undertake their roles and then maintaining these skills is critical to the safe delivery of our services. The 238-frontline housing, care and support staff have received 1150.25 hours of training and support this year across a wide range of training covering areas such as the Care Certificate, induction, infection control, safeguarding, medication management, safe lifting and handling practices as well as update training in areas such as First Aid and Fire safety. This ensures that our staff are skilled, confident, but most importantly competent to support individuals with a wide range of care and support needs.

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

Carers Emergency Response Service (CERS)

Our Carers Emergency Response Service (CERS) has continued to ensure that Carers have absolute peace of mind knowing that if they are unable to undertake their caring responsibilities due to an emergency then our team will step in ensuring care and support to their loved one will continue in their absence. As well as the emergency provision of care CERS also provides an essential service allowing family carers to attend important pre-planned appointments, such as health related consultations, ensuring carers can prioritise their own well-being alongside that of the person they care for.

COVID-19 impacted on the delivery of the CERS service; many pre-planned appointments were cancelled by the NHS due to the massive constraints placed on the national health service. In addition, a vast number of carers were isolating as they were deemed to be clinically extremely vulnerable so would not allow staff into their homes.

CERS staff continue to share information relating to positive mental health websites and helplines. CERS staff also have a referral pathway to utilise should they recognise a family is struggling to cope, especially with the closure of schools and day centres. Families have on occasion called the CERS emergency line to simply ask for advice it has been a pleasure to be able to assist someone with a simple conversation; this may have avoided a breakdown in the care delivery.

CERS staff continue to use their time flexibly and offer support via telephone evening and weekends, this has been welcomed by carers when isolation can feel like such a long and lonely time. This has proved that flexibility works from a service delivery aspect and the personal aspect of staff who were also having to deal with their own issues during the crisis.

Two of our CERS Officers have both received Trusted Assessor training with the Occupational Therapy Service, allowing them to assess for simple O/T equipment and assisting with the BCC waiting list for O/T appointments – this can now be carried out by CERS staff as part of their assessment process rather than the individual having to be referred via the single point of access.

Despite the constraints we have: -

- 1157 carers registered for the service (as of end March 2022)
- Supported with 22 separate emergencies, providing 450 hours of emergency support.
- Supported with 239 pre-planned appointments, providing 666.5 hours to carers to support these appointments.
- Completed 529 assessments for people wishing to access the service.
- Reviewed and updated 238 individual emergency support plans.
- Made 188 COVID-19 related safe and well/welfare checks.

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

Some of our CERS Case Studies/Good News Stories over the last twelve months are:

- CERS supported with one emergency whereby the carer had broken their hip. CERS offered full support to the family in sourcing respite for the cared for individual and supported with a smooth transition to the service.
- CERS supported another carer to attend multiple dental appointments. The carers Wife has dementia, and the carer has never left his wife at all. CERS worked with the carer to offer reassurance and the carer did undergo his treatment. He was more than pleased with the service and calls CERS now for a chat.
- An emergency assessment was completed, and pre-planned appointments supported to enable a carer to have skin cancer removed.
- CERS supported a further emergency and, when nearing the end of CERS' remit, liaised with our regulatory service to provide additional care and support that ensured the cared for individual did not have to attend respite care.
- One urgent assessment was completed on a Sunday as this related to someone receiving palliative care and it was urgent that CERS was in place to support if needed, thus giving peace of mind to the carer.

Placing Vulnerable Urban Residents into Employment and Training (PURE)

The PURE project is a part-funded European Social Funded project and has been operating since March 2019. It brings together a range of coordinated interventions which will assist the needs of citizens with barriers into the employment market. With the support of PURE Intervention Workers, they will support, guide and mentor individuals through to Employment, Education or Training.

- Participants gain an intensive level of support including but not limited to: (one to one support / action planning / at work support) leading to positive outcomes including Employment Education and Training.
- Bespoke support tailored to the individuals needs and demands

The project is eligible for participants Birmingham wide, with an emphasis on areas of deprivation

In the last twelve-month period: -

- PURE have a total of 470 participants engaged and registered to the project since April 2021, with 116 outcomes around employment, training, and job searches.
- Midland Mencap, as an organisation, continues to employ an individual to the post of Site Assistant, through the PURE project. This is a huge success as, after many years of unpaid volunteering elsewhere, this individual is now a valued member of the staff team with positive family feedback "PURE, and Midland Mencap in particular, have been a great support and do brilliant work giving the opportunity to work and integrate more fully in the community...which is amazing".
- Midland Mencap was the chosen provider (out of nine providers) to host the DWP provider inspection alongside the local authority. The team hosted a day at Pinewood, accommodating DWP representatives, 9 x provider representatives, BCC Commissioners, participants, and carers. The day was a mixture of good

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

news storied, sharing best practice and was highly commended by DWP representatives and local authority partners.

- Midland Mencap hosted a 'Graduation Day' for participants who had achieved an 'outcome' through the project, the event included the PURE team, a number of participants, families, partner organisations and commissioning managers. This was a successful event that recognised participants achievements and highlighted the Midland Mencap PURE offer.

Birmingham Multi-Care Support Services

Birmingham Multi-Care is a subsidiary of Midland Mencap and provides a range of care and support services to children, young people and adults across Birmingham. Birmingham Multi-Care services include home based care and support, short breaks and respite as well as access to community based social, leisure and recreational opportunities.

Birmingham Multi-Care Respite Care Provision

We provide 8 respite care beds across two registered Respite Care Homes – Silver Birch Road in Erdington and Greswolde Park Road in Acocks Green. Both homes are regulated by the Care Quality Commission and offer high quality respite provision seven days per week.

The COVID-19 pandemic had a serious impact on our respite service delivery as almost all carers who use our service were deemed to be clinically extremely vulnerable and, consequently, had to shield. This impacted on the respite care bookings as the people who use our services shielded along with their family members/carers. It has taken a long time for families to start using out respite care provision once again, but this is now increasing with bookings beginning to increase once more. At the end of the 2021/2022 period, Silver Birch Road had an overall occupancy rate of 60.78% and Greswolde Park Road had an overall occupancy rate of 68.55%.

Birmingham Multi-Care Home Based Care and Support

Our home support and supported living services operate twenty-four hours a day, seven days of the week. As with our other services, this has been severely impacted by the pandemic as most of the support provided by Birmingham Multi-care is home based and many families were deemed to be clinically extremely vulnerable and, consequently, had to shield. As with our respite care services this impacted on the home-based care bookings as the people who use our services shielded along with their family members/carers. In addition to this staff that specifically supported individuals with recreational based activities were left with no work as all recreational activities and venues closed due to lockdown.

We have: -

- Delivered 18,207 hours of care and support
- Delivered 3419.5 sleep-in hours.
- Supported 60 individuals with home-based care and support, short breaks and access to community based social, leisure and recreational opportunities.

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

The 25-frontline staff have received 42.5 hours of training and support this year across a wide range of training covering areas such as the Care Certificate, induction, infection control, safeguarding, medication management, safe lifting and handling practices as well as update training in areas such as First Aid and Fire safety. This ensures that our staff are skilled, confident, but most importantly competent to support individuals with a wide range of care and support needs.

Community Services Update 2021/2022

Key achievements during 2021/2022

Children and Young people services:

CYP sessions resumed after covid-19 pandemic for all deliveries in March 2021 after local lockdown restrictions were fully lifted.

Key Stats

- Delivered 3820.5 hours to Children & Young People and their families across **Birmingham**, this is split between LOT3 742.25 hours and Specialist 3078.25 hours.
 - Delivered 200 hours to Children & Young People and their families in **Worcestershire** for commissioned short breaks sessions.
 - Delivered 440.5 hours to Children & Young People and their families in **Coventry**, for commissioned short breaks sessions.
 - Delivered 14.5 hours to Children & Young People and their families in **North Warwickshire**, for commissioned short break sessions
- We continued to run and deliver community support packages
- **Total hours delivered: 4,475.5**

In the year 2021-2022, Midland Mencap CYP team continued to react to the ever-changing circumstances surrounding the Covid-19 pandemic. Throughout this period and as restrictions were eased and lifted, we continued to respond to the demand of supporting children and young people with disabilities within our short break service.

Midland Mencap CYP team resumed normal delivery of ShortBreaks sessions in March 2021 and ran these in line with local authority specific Covid secure protocols and guidelines within the months of April 2021 through to March 2022 where we were able to deliver 3820.5 hours of short break support in Birmingham.

In the months that followed, Midland Mencap continued to deliver short break sessions in Birmingham at weekends whilst keeping in regular contact with families during this time.

Worcester delivery supported from January 2021 through until March 2022– by offering DOM care hours to support children and young people within their homes. This totalling 10 children receiving DOM care support throughout these months. Worcestershire continued to deliver commissioned short breaks session during school holiday's at Finstall hall where 7 children attended these sessions.

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Achievements and Performance

Community Services Update 2021/2022 (continued):

In Coventry and North Warwickshire Midland Mencap for the period of April 2021 through to March 2022 have delivered commissioned packages of support to children and young people.

These continue to operate on the basis of fulfilling the individual needs and wants of the family and the children. Throughout the period of April 2021 to March 2022, capacity has continued to increase for Coventry and North Warwickshire, where we have been able to better establish our group-based sessions on a weekly basis, where these increase during school holidays.

Coventry sessions operated from the Boys and Girls club these ran on a weekend basis and during school holidays, where 8 children regularly attended. In North Warwickshire

Staffing

The CYP support team capacity worked at:

- **Birmingham:** 16 by October 2021 capacity increased to 20 – co-ordinators also supported additionally to support child capacity on sessions
- **Worcester:** 18 staff supported in total, where a combination of co-ordinators from all deliveries/ family careers team and the business development manager also supported additionally to support child capacity on sessions and delivering DOM care hours as well as 3 agency staff.
- **Coventry:** 15 staff supported in total, where co-ordinators also supported additionally to support child capacity on sessions and delivering community support. We also used 5 agency staff during this period.
- **North Warwickshire:** 15 staff supported in total, where co-ordinators also supported additionally to support child capacity on sessions and delivering community support. We also used 5 agency staff during this period.

Birmingham Community Hub and Café

The service has had a successful year, re-building from the impact of covid-19 with activities returning to almost near normal levels in attendance and wider, growing range of new activities and in turn seeing many new members join.

The cafe has also continued to grow its customer base and provision of offer to include catering for internal and external events.

During the year there has also been the return of large-scale events like Halloween which have run safely without any covid outbreaks. We ended the year in a strong position to continue to review, co-deign and deliver even better outcomes in the year ahead.

Family Carers Support including Short Break

The team has worked hard to bring back face to face training courses, workshops, and support groups, which is seeing a month on month increase in participation.

The impact of Covid-19 on people's confidence to return to pre-pandemic activities is seen more here than in our learning disabilities activities, with carers worried about getting covid and passing it on to the cared for person.

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Achievements and Performance

Community Services Update 2021/2022 (continued):

The range of partnership working and networking in this service area has been excellent, not just in bringing back partnerships from pre-covid times, but also establishing new ones, across health & social care, education and community services.

Walsall Community Disability Hub

The team have begun to return to face-to-face delivery, which has been much welcomed and like Birmingham, has seen the range of new activities and citizens grow. The team continue to deliver a hybrid of face-to-face and online activities.

The team has brought back events successfully and is once again working well in partnerships with organisations like Healthwatch Walsall, Autism West Midlands & Bethagey.

Carers Hub

The end of the year saw a successful partnership bid for launching the new Walsall Carers Hub with Forward Carers. Work has been on-going around legal aspects of the contract as well as general mobilisation planning, ready to see the project launch in early summer 2022.

Parkride

Parkride has continued to provide safe, affordable inclusive cycling across the West Midlands region utilising green spaces and accessible venues. The team have provided 410 individual sessions to 7380 participants who have a wide range of disabilities & experiences of cycling – our youngest participant was 4 and our oldest 97!

We have supported 6 Local Authority events.

We continued to deliver our Sport England family fund project; most of the families now utilise our community Parkride offers in their local areas.

Identifying suitable funding streams has been our priority this year and we have been successful in receiving funding from Sandwell Metropolitan Borough Council, Coventry City Council and Birmingham City Council to deliver sessions in some of the West Midlands most deprived areas. This will enable participants to have access to a wide range of adapted and mainstream cycles which will help them to improve their health and wellbeing, improved fitness levels and reduce isolation within their communities.

Citizens Network

Include Me Network has grown from 0 to 96 individuals, groups, organisations, supporters, Schools, Colleges, and Universities being involved at various levels of engagement across the West Midlands from January 2021 to March 2022, with strong relationships being made, we collectively have a reach to an estimated 21,857. This has contributed to the solid foundations being built to allow the Citizens Network to grow and evolve in the future.

Internal and External Engagement Work 2021/22

- Include Me West Midlands (Mental health, Social prescribing, Housing, Transport) - Reach of 21,000 through the work we do alongside other organisations (2021/22)

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Community Services Update 2021/2022 (continued)

- Citizens Forum Meetings (2022)
- Citizens Chat Podcasts (2022)
- Consulting citizens about activities at WCCC (2022)
- Annual Health Check Research (2021)
- Birmingham City Council Health and Wellbeing Project (Deep Dive Report) (2022)

The focus in 2022 so has been put onto further solidifying various relationships to improve the overall engagement levels as we move forward. To achieve this target forms of re-engagement have consisted of:

- Follow up emails
- Virtual catch-up meetings
- Involvement in Citizens Chat Podcasts
- Regular updates within the mailing lists (currently looking at putting together a monthly newsletter from Jan 23)
- Citizens Forum Meetings (Initially designed for just Midland Mencap Citizens but decision made to integrate with Include Me to provide more information to citizens)

Business Development

Key Stats

- Secured £120k from WMCA Active Travel Fund for Parkride received £40k in year
- Secured £25k over 2 years from Peter Harrison Foundation – received £12.5k in year
- Received £22.58k from HSBC for WCCC Sensory garden
- Secured £9.78k from Lottery fund for Jubilee arts and celebration project
- Secured £7k from Royal Mencap for BAME related services
- Received £6k from Screwfix for HUB toilet refurbishment
- Received £4.45k for adapted sports from Sport England
- Secured a range of funding below £1,500 for multiple resources

Key Organisational Strategic Aims

The organisation is currently completing a refresh of its operating strategy published in November 2019. This is to ensure that our strategic objectives remain relevant but also take into account environmental changes as a result of covid recovery planning and the impacts of the cost-of-living crisis. This has been a strong operating year for Midland Mencap and we have seen strong growth in services across our operating footprint. We have been successful in winning new contracts providing health and wellbeing services, a specialist domestic violence service and a new carer support service in Walsall as well as strengthening the offer from our Children's services and in our accessible cycling scheme Parkride. As covid restrictions have been relaxed we have seen a significant rise in the demand for support from citizens and families, particularly our community services which has meant increasing the range and availability of opportunities and activities provided.

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Key Organisational Strategic Aims (continued)

We now plan to:

- Publish the refreshed strategy to cover the period 2023-2026
- Publish a fully costed Business plan outlining not only how we would plan to deliver our strategic objectives but how this would be resourced
- We intend to introduce a new strategic objective to increase our current housing stock by twenty-six units. We believe this will take 5 years to achieve and this will be costed into our Business Plan, to include
- additional rent revenues these properties will attract. To achieve this, we will use organisational reserves to purchase property and expect this to deplete our current reserves by as much as 50%
- We will continue to invest into our workforce, particularly in terms of mitigating sector wide recruitment and retention concerns. To that end by April 1st 2023, we will become a Real Living Wage employer ensuring our lowest paid staff will be paid £10.90ph
- Continue to build the capacity of the Trustee Board

The organisation is still recovering from the pandemic with particular pressures on recruitment and retention of staff. This is a sector wide issue and remains the biggest determinate in us successfully delivering our strategic objectives, with pay and conditions a primary driver in people choosing to join the social care workforce. Overall, Midland Mencap is robustly positioned to deliver on its stated strategic objectives not only by using our own resources but by continuing to strengthen collaboration and partnership with key stakeholders with particular reference to co-producing outcomes with citizens and families influencing our decision making through lived experience.

Birmingham Multi-Care Strategic Aims

This has been a year of further recovering the financial position of our organisation and these accounts show we have succeeded in that aim and the organisation is now financially stable. The reputation of the organisation remains positive with citizens, families and funders and this has been reflected in referrals to our team.

We now plan to:

- Through our parent company publish the refreshed strategy to cover the period 2023-2026
- Through our parent company publish a fully costed Business plan outlining not only how we would plan to deliver our strategic objectives but how this would be resourced
- We will be undertaking a review of the operating model for Birmingham Multi-Care to ensure we are positioned to meet the needs of the citizens and families supported, the expectations of commissioners and funders and the challenging economic environment we operate within
- Our intention is to grow our business by 20% during 2023 reacting more proactively to referrals
- We will continue to invest into our workforce, particularly in terms of mitigating sector wide recruitment and retention concerns. To that end by April 1st 2023 through our parent company we will become a Real Living Wage employer ensuring our lowest paid staff will be paid £10.90 per hour.
- Continue to build the capacity and stability of the Trustee Board

MIDLAND MENCAP

Statement of Trustees' Responsibilities for the Financial Statements

The Trustees (who are also directors for the purposes of company law – except for those mentioned on page 1) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable group will continue in business.

The Trustees are responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of disclosure of information to auditors

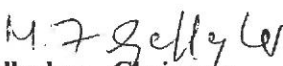
In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Cooper Parry Group Limited will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees on 22 November 2022 and signed on their behalf by:


M F Gallagher – Chairman

MIDLAND MENCAP

Independent Auditor's Report to the Members of Midland Mencap

Opinion

We have audited the financial statements of Midland Mencap ('the parent charitable company') and its subsidiary ('the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of financial activities, the Consolidated and Parent Company Balance sheets, the Consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable and company affairs as at 31 March 2022, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MIDLAND MENCAP

Independent Auditor's Report to the Members of Midland Mencap (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Trustees' Annual Report has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the parent and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

MIDLAND MENCAP

Independent Auditors' Report to the Members of Midland Mencap (continued)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees who are also the Directors of the parent charitable company for the purposes of Company Law, except for those mentioned in page 1 of this annual report, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the group and the parent charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and parent charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and parent charitable company's control environment and how the group and parent charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and parent charitable company risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year;
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and

MIDLAND MENCAP

Independent Auditors' Report to the Members of Midland Mencap (continued)

- obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Glen Bott (FCA)

Senior Statutory Auditor

for and on behalf of:

Cooper Parry Group Limited

Chartered Accountants and Statutory Auditor

Cubo Birmingham, Office 401, 4th Floor, Two Chamberlain Square, B3 3AX

Date: 7 December 2022

MIDLAND MENCAP
Consolidated Statement of Financial Activities including the Income and Expenditure Account
For the year ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME FROM:					
Donations, grants and legacies	2	599,116	643,471	1,242,587	1,256,460
Charitable activities	5	7,779,973	-	7,779,973	7,560,604
Other trading activities	4	1,461	-	1,461	322
Investments	3	51,551	-	51,551	55,948
Other income	5a	9,114	-	9,114	48,081
Total income		8,441,215	643,471	9,084,686	8,921,415
EXPENDITURE ON:					
Charitable activities	6	7,491,538	662,471	8,154,009	8,000,411
Total expenditure		7,491,538	662,471	8,154,009	8,000,411
Unrealised loss on investments	10a	(33,165)	-	(33,165)	-
Net movement in funds		916,512	(19,000)	897,512	921,004
Reconciliation of funds					
Fund balance at 1 April 2021		10,164,805	912,000	11,076,805	10,155,801
Fund balances at 31 March 2022	15, 16	11,081,317	893,000	11,974,317	11,076,805

The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 29 to 45 form part of these financial statements

MIDLAND MENCAP
Registered Number 03006451
Consolidated Balance Sheet
As at 31 March 2022

	Notes	2022 £	£	£	2021 £
Fixed assets					
Tangible assets	10		3,513,702		3,686,175
Investments	10a		966,835		-
			<u>4,480,537</u>		<u>3,686,175</u>
Current assets					
Stocks		1,187		1,170	
Debtors	11	1,089,145		945,218	
Cash at bank and in hand		6,306,345		6,205,035	
Investments		900,000		900,000	
			<u>8,296,677</u>	<u>8,051,423</u>	
Creditors: amounts falling due within one year	12	<u>(800,368)</u>		<u>(651,885)</u>	
Net current assets			<u>7,496,309</u>		<u>7,399,538</u>
Total assets less current liabilities			<u>11,976,846</u>		<u>11,085,713</u>
Creditors: amounts falling due after more than one year	13		<u>(2,529)</u>		<u>(8,908)</u>
Total net assets			<u><u>11,974,317</u></u>		<u><u>11,076,805</u></u>
Funded by					
Unrestricted funds					
Free Reserves	15		6,258,087		5,181,722
Tangible Fixed Assets			2,620,702		2,774,175
Financial Commitments			2,528		8,908
Other designated funds			2,200,000		2,200,000
Restricted funds					
Tangible Fixed Assets	16		893,000		912,000
Restricted reserves			-		-
			<u>11,974,317</u>		<u>11,076,805</u>

The notes on pages 29 to 45 form part of these financial statements

The accounts were approved by the Board on 22 November 2022, and were signed on their behalf by:

M F Gallagher – Chairman

M F Gallagher

MIDLAND MENCAP
Registered Number 03006451
Balance Sheet (Company)
As at 31 March 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	10		2,619,052		2,771,100
Investments	10a		966,835		-
			<u>3,585,887</u>		<u>2,771,100</u>
Current assets					
Stocks		1,187		1,170	
Debtors	11	1,116,737		891,467	
Cash at bank and in hand		5,879,626		6,020,736	
Investments		900,000		900,000	
		<u>7,897,550</u>		<u>7,813,373</u>	
Creditors: amounts falling due within one year	12	(744,792)		(600,208)	
Net current assets			<u>7,152,758</u>	<u>7,213,165</u>	
Total assets less current liabilities			<u>10,738,645</u>		<u>9,984,265</u>
Creditors: amounts falling due after more than one year	13		(2,529)		(8,908)
Total net assets			<u>10,736,116</u>		<u>9,975,357</u>
Funded by					
Unrestricted funds					
Free Reserves	15		5,914,535		4,995,349
Tangible Fixed Assets			2,619,052		2,771,100
Financial Commitments			2,529		8,908
Other designated funds			2,200,000		2,200,000
Restricted funds	16				
Restricted reserves			-		-
			<u>10,736,116</u>		<u>9,975,357</u>

The notes on pages 29 to 45 form part of these financial statements

The accounts were approved by the Board on 22 November 2022, and were signed on their behalf by:

M F Gallagher – Chairman

M F Gallagher

MIDLAND MENCAP
CONSOLIDATED STATEMENT OF CASHFLOWS
For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	19	1,072,149	1,040,039
Cash flows from investing activities			
Interest received		7,607	11,964
Rental income		43,944	43,984
Payments to acquire tangible fixed assets		(16,009)	(553,278)
Receipt from the sale of assets held for sale		-	293,000
Purchase of investments		(968,899)	-
Funds transferred to investment manager awaiting investment		(31,103)	-
Net cash provided by investing activities		<u>107,689</u>	<u>835,709</u>
Cash flows from financing activities:			
Finance lease instalments repayment		(6,379)	(4,973)
Net cash used in financing activities		<u>(6,379)</u>	<u>(4,973)</u>
Change in cash and cash equivalents in the reporting period		101,310	830,736
Cash and cash equivalents at the beginning of the reporting period		6,205,035	5,374,299
Cash and cash equivalents at the end of the reporting period		<u><u>6,306,345</u></u>	<u><u>6,205,035</u></u>

**MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022**

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

1.1 General information and basis of preparation

Midland Mencap is a charitable company domiciled in the United Kingdom. The address of the registered office is shown on the legal and administrative information page of this report. The charity constitutes a public benefit as defined by FRS102

The financial statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In the Trustees' Report, there is a review of the charity's current financial performance, liquidity and the ability to meet its current and future obligations. Financial projections into the foreseeable future have been made taking into consideration the potential risks to various income streams to Midland Mencap. As a result of this analysis, the trustees have reasonable assurance that the charity is able to continue with its operations for the foreseeable future. Therefore, the financial statements are prepared on a going concern basis under the historical cost convention as modified to include property at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The consolidated accounts incorporate the accounts of the parent charitable company and all group undertakings. Consolidation has been undertaken on a line-by-line basis. A separate statement of financial activities for the parent charitable company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006.

1.2 Income recognition

Income from grants for charitable activities is recognised when earned. Other trading activities, investment and other income is recognised when received. Donations and legacies are recognised when notified provided the conditions for their receipt have been met and there is reasonable certainty of receipt and the amounts can be measured reliably.

No amount is included in the financial statements for volunteer time in line with SORP (FRS 102).

1.3 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate costs related to the category. Expenditure is recognised where there is legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1 ACCOUNTING POLICIES (CONTINUED)

Expenditure recognition (continued)

As per FRS 102, governance costs form part of the charitable expenditure in the Statement of Financial Activities (SOFA) but more detail is shown in Note 6a to the accounts. Charitable expenditure comprises those costs directly incurred in carrying out its charitable activities and expenditure of an indirect nature necessary to support these activities. Governance costs are those associated with the constitutional and statutory requirements of the charitable company and include audit fees and costs incurred in the strategic management of the charitable company.

Rental charges payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease. Assets held under finance leases are shown as fixed assets and depreciated over the life of the lease.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost as per FRS 102 first adoption rules) less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The rates used are:

Leasehold property	Over the period of the lease
Freehold property	Written off over 25 years and 50 years
Property additions	10% straight line
Office machinery	Between 10% and 35% straight line
Fixtures and fittings	Between 10% and 35% straight line
Motor vehicles	25% straight line

Purchases of equipment and any fixtures and fittings deemed to be additions, as distinct from replacements, are capitalised if the initial cost of the asset exceeds £1,000. Otherwise the cost is treated as an expense.

Where the current value of a tangible fixed asset is found to be less than its carrying value, the asset is written down to its recoverable amount. The loss on impairment is charged to the appropriate expenditure category in the statement of financial activities. The charitable company currently has no assets to which impairment provisions apply.

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains are recognised within the statement of financial activities unless they reverse a charge for impairment that has previously been recognised as a cost within expenditure headings of the statement of financial activity. Revaluation losses are recognised as an expense in the relevant expenditure heading of the Statement of financial activities except to the extent to which they offset any previous revaluation gains, in which case the loss is shown in the 'Gains/(losses) on the revaluation of fixed assets section of the statement of financial activities.

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1 ACCOUNTING POLICIES (Continued)

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.7 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

1.8 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which a donor has specified to be solely used for particular areas of the charity's activities.

1.10 Going concern

These accounts have been prepared on a going concern basis. The financial results reported within this report demonstrate a strong reserves and cash position which will support and underpin the organisation's aims and objectives going forward as well as meet the risks of the current uncertain financial climate. In addition, the organisation has strong and well-established relationships with main commissioners and funders that will serve to retain and secure services.

The forecast for 2022 23 and projection for next 12 months assume a surplus position despite growing costs and inflationary pressures. As a further check the organisation will produce a 3-year business plan to align with 2023 -26 strategic objectives. Therefore, the financial statements have been prepared on a going concern basis.

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

1 ACCOUNTING POLICIES (Continued)

1.11 Financial Instruments

The charitable company enters into only basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The charitable company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the Statement of Financial Activities.

2 Donations, grants and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations	25,789	-	25,789	32,399
Legacies	83,989	-	83,989	19,186
Grants	489,338	643,471	1,132,809	1,204,875
	<u>599,116</u>	<u>643,471</u>	<u>1,242,587</u>	<u>1,256,460</u>

Of the £1,256,460 income received in 2021, £626,365 was restricted income and £630,095 was unrestricted income.

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Rental income	43,944	-	43,944	43,984
Interest receivable	7,607	-	7,607	11,964
	<u>51,551</u>	<u>-</u>	<u>51,551</u>	<u>55,948</u>

All investment income received in 2021 all related to unrestricted funds.

MIDLAND MENCAP

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

4 Other Trading Activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Bar sales	-	-	-	322
Community Cafe	1,461	-	1,461	-
	<u>1,461</u>	<u>-</u>	<u>1,461</u>	<u>322</u>

Income from Other trading activities in 2021 all related to unrestricted funds

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Carers activities (Forward Carers)	676,768	-	676,768	635,297
Domcare fees	4,566,047	-	4,566,047	4,608,440
Supporting People	1,319,308	-	1,319,308	1,340,753
HB & Residents' contributions	758,311	-	758,311	689,030
Activity and Travel Contributions	48,829	-	48,829	20,509
Other Contributions	45,989	-	45,989	38,760
PA Service	364,721	-	364,721	227,816
	<u>7,779,973</u>	<u>-</u>	<u>7,779,973</u>	<u>7,560,604</u>

Income from Charitable activities in 2021 all related to unrestricted funds

5a Other income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	9,114	-	9,114	5,081
Profit from sale of fixed asset	-	-	-	43,000
	<u>9,114</u>	<u>-</u>	<u>9,114</u>	<u>48,081</u>

In 2021 all other income related to unrestricted funds.

MIDLAND MENCAP

Notes to Financial Statements (continued)
For the Year ended 31 March 2022

6	Resources expended	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Charitable expenditure				
	Salaries, wages and social security	5,959,270	468,660	6,427,930	6,245,829
	Other staff costs	98,707	14,712	113,419	85,063
	Direct costs for charitable activities	370,850	84,943	455,793	375,003
	Office, Support and Admin costs	778,603	72,679	851,282	986,804
	Governance (note 6 a)	114,624	2,477	117,101	96,982
	Depreciation	169,484	19,000	188,484	210,730
		<u>7,491,538</u>	<u>662,471</u>	<u>8,154,009</u>	<u>8,000,411</u>

Of the £8,000,411 expended in 2021, £662,493 was restricted expenditure and £7,337,918 was unrestricted expenditure.

6a	Governance costs	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
	Salaries and social security	39,000	-	39,000	39,026
	Trustees' indemnity insurance	-	-	-	1,512
	Audit fee	21,150	-	21,150	20,087
	Audit fee – prior year under provision	18,565	-	18,565	-
	Printing	-	-	-	23
	Travel expenses	47	-	47	-
	Payroll charges	-	720	720	-
	HR consultancy	34,842	1,757	36,599	35,825
	Affiliation	1,020	-	1,020	509
		<u>114,624</u>	<u>2,477</u>	<u>117,101</u>	<u>96,982</u>

Expenditure not directly attributable to governance has been apportioned on an appropriate basis such as staff time or usage.

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2022

6b Net Group incoming resources for the year

Net incoming resources for the group are stated after charging:

	2022	2021
	£	£
Depreciation	188,484	210,730
Rentals from operating expenses	245,173	263,260
Auditor's remuneration – current year	21,150	21,618
Auditor's remuneration – prior year under provision	18,565	-
	<u> </u>	<u> </u>

7 Trustees

During the year, one trustee was reimbursed out of pocket expenses in relation to travel. The total amount reimbursed amounted to £47 (2021: £nil). No Trustee received any remuneration (2021: £nil). There were no donations from Trustees to the charitable company (2021: Nil)

8 Employees

Total Staff costs

	2022	2021
	£	£
Wages and salaries	5,948,228	5,821,293
Social security costs	413,454	361,762
Pension scheme contributions	105,248	101,800
	<u> </u>	<u> </u>
	6,466,930	6,284,855
	<u> </u>	<u> </u>

Number of employees

	2022	2021
	No.	No.
The average number of employees during the year was:	386	387
	<u> </u>	<u> </u>

In 2021/22 the organisation had seven senior managers whose total pay remuneration costs amounted to £465,438 (2021, eight senior managers: £468,905). Pension contributions in respect of these individuals were £5,988 (2021: £5,415).

There was one employee whose annual emoluments were in the range £100,000 - £110,000, one employee in the range of £80,000 - £90,000 and two employees in the range of £60,000 - £70,000. (2021: one employee in the range of £90,000 - £100,000 and one employee in the range of £60,000 - £70,000).

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2022**

9 Pension scheme

The Charitable group contributes to group personal pension plans for certain employees. Midland Mencap continues to comply with Work Place Pensions law by making contributions to the new pension scheme for all eligible employees. All employees who qualify are automatically enrolled into the pension scheme. Those employees who are not automatically eligible are given the opportunity to opt into the pension scheme. The employer contribution is 3% in line with the Pension regulators requirements. The old pension scheme was closed to new entrants so it is set to remain stable or decrease as employees make career moves. The charge in the Statement of Financial Activities represents contributions paid by Midland Mencap in respect of the year ended 31 March 2022 amounted to £105,248 (2021: £101,800).

10 Tangible fixed assets (Group)

	Freehold property £	Leasehold property £	Office equipment £	Fixtures & fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2021	3,604,271	606,935	240,014	318,246	40,889	4,810,354
Additions	10,512	5,499	-	-	-	16,011
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	3,614,783	612,434	240,014	318,246	40,889	4,826,365
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
At 1 April 2021	165,258	566,942	177,484	199,203	15,293	1,124,179
Charge for year	67,905	27,631	25,809	57,861	9,278	188,484
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2022	233,163	594,573	203,293	257,064	24,571	1,312,663
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value						
At 31 March 2022	3,381,620	17,861	36,721	61,182	16,318	3,513,702
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	3,439,013	39,993	62,530	119,043	25,596	3,686,175
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The charity lets a portion of its freehold property to another charity with similar charitable purposes and receives a rental income from this arrangement

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2022**

10 Tangible fixed assets (continued))

Tangible fixed assets (Company only)

	Freehold property £	Leasehold property £	Office equipment £	Fixtures & fittings £	Motor vehicles £	Total £
Cost						
At 1 April 2021	2,654,271	606,935	235,955	316,596	40,889	3,854,646
Additions	10,512	5,499	-	-	-	16,011
At 31 March 2022	2,664,783	612,434	235,955	316,596	40,889	3,870,657
Depreciation						
At 1 April 2021	127,257	566,942	175,813	198,240	15,293	1,083,545
Charge for year	48,907	27,631	24,797	57,447	9,278	168,060
At 31 March 2022	176,164	594,573	200,610	255,687	24,571	1,251,605
Net book value						
At 31 March 2022	2,488,619	17,861	35,345	60,909	16,318	2,619,052
At 31 March 2021	2,527,013	39,993	60,114	118,356	25,596	2,771,100

10a Fixed asset investments

	2022
	£
Market value of investments at 1 April 2021	-
Additions	968,899
Loss in the year	(33,165)
Movement in cash	31,101
Market value of investments at 31 March 2022	966,835
Historical cost of investments at 31 March 2022	1,000,137

MIDLAND MENCAP**Notes to the Financial Statements (continued)
For the year ended 31 March 2022****11 Debtors**

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	611,193	542,702	691,881	463,607
Prepayments	54,712	47,533	49,442	40,425
Accrued income	423,240	354,982	375,414	387,434
	<u>1,089,145</u>	<u>945,218</u>	<u>1,116,737</u>	<u>891,467</u>

12 Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Tax and Social Security	124,227	118,160	115,594	109,846
Other creditors	169,017	104,775	132,195	103,769
Accruals	487,014	346,456	476,893	315,635
Deferred income (12a)	20,110	82,494	20,110	79,866
	<u>800,368</u>	<u>651,885</u>	<u>744,792</u>	<u>609,116</u>

12a Deferred income analysis (Group and Company)

	2022	2021
	£	£
Deferred income brought forward	82,494	2,000
Deferred income released in year	(82,494)	(2,000)
Deferred income during the year	20,110	82,494
	<u>20,110</u>	<u>82,494</u>

MIDLAND MENCAP

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

13 Creditors: amounts falling due after 1 year

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Obligations under finance leases	2,529	8,908	2,529	8,908
	<u>2,529</u>	<u>8,908</u>	<u>2,529</u>	<u>8,908</u>

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
GROUP (CURRENT YEAR)			
Tangible fixed assets	2,620,702	893,000	3,513,702
Fixed asset investments	966,835	-	966,835
Stocks	1,187	-	1,187
Debtors	1,089,145	-	1,089,145
Cash at bank and in hand	6,306,345	-	6,306,345
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(800,368)	-	(800,368)
Creditors: amounts falling due after more than one year	(2,529)	-	(2,529)
	11,081,317	893,000	11,974,317

	Unrestricted funds	Restricted funds	Total
	£	£	£
GROUP (PRIOR YEAR)			
Tangible fixed assets	2,774,175	912,000	3,686,175
Assets held for sale	-	-	-
Stocks	1,170	-	1,170
Debtors	945,218	-	945,218
Cash at bank and in hand	6,205,035	-	6,205,035
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(651,885)	-	(651,885)
Creditors: amounts falling due after more than one year	(8,908)	-	(8,908)
	10,164,805	912,000	11,076,805

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2022**

14 Analysis of net assets between funds (Continued)

	Unrestricted funds	Restricted funds	Total
	£	£	£
COMPANY (CURRENT YEAR)			
Tangible fixed assets	2,619,052	-	2,619,052
Fixed asset investments	966,835	-	966,835
Stocks	1,187	-	1,187
Debtors	1,116,737	-	1,116,737
Cash at bank and in hand	5,879,626	-	5,879,626
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(744,792)	-	(744,792)
Creditors: amounts falling due after more than one year	(2,529)	-	(2,529)
	10,736,116		10,736,116

	Unrestricted funds	Restricted funds	Total
	£	£	£
COMPANY (PRIOR YEAR)			
Tangible fixed assets	2,771,100	-	2,771,100
Stocks	1,170	-	1,170
Debtors	891,467	-	891,467
Cash at bank and in hand	6,020,736	-	6,020,736
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(600,208)	-	(600,208)
Creditors: amounts falling due after more than one year	(8,908)	-	(8,908)
	9,975,357	-	9,975,357

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2022**

15 Unrestricted funds Group (Current year)

	At 1 April 2021	Incoming resources	Outgoing resources	Transfer/gains or (losses)	At 31 March 2022
	£	£	£	£	£
Free reserves	5,181,722	8,441,215	(7,491,538)	126,688	6,258,087
Designated funds					
Tangible fixed assets	2,774,175	-	-	(153,473)	2,620,702
Financial commitments	8,908	-	-	(6,380)	2,528
Other designated funds	2,200,000	-	-	-	2,200,000
	10,164,805	8,441,215	(7,491,538)	(33,165)	11,081,317

The £2,200,000 reserves are designated to Domcare services (£800k), IT system investment (£400k), Community Hub project (£500 k) and new business development funds of (£500k).

Unrestricted funds Group (Prior year)

	At 1 April 2020	Incoming resources	Outgoing resources	Transfer/gains or (losses)	At 31 March 2021
	£	£	£	£	£
Free reserves	4,589,868	8,291,320	(7,337,918)	(361,548)	3,658,867
Designated funds					
Tangible fixed assets	2,412,627	-	-	361,548	2,774,175
Financial commitments	8,908	-	-	-	8,908
Other designated funds	2,200,000	-	-	-	2,200,000
	9,211,402	8,291,320	(7,337,918)	-	10,164,805

MIDLAND MENCAP

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

16 Restricted Group funds (Current Year)

	At 1 April 2021	Incoming resources	Outgoing resources	Transfer/gains or (losses)	At 31 March 2022
	£	£	£	£	£
Community Hub	-	100,000	(100,000)	-	-
Walsall Hub	-	39,500	(39,500)	-	-
Walsall Groups	-	7,000	(7,000)	-	-
Sports England	-	103,707	(103,707)	-	-
Children's Commissioned Services	-	233,978	(233,978)	-	-
Birmingham Multi-Care	-	159,286	(159,286)	-	-
Freehold property-BMC	912,000	-	(19,000)	-	893,000
	912,000	643,471	(662,471)	-	893,000

Restricted Group funds (Prior year)

	At 1 April 2020	Incoming resources	Outgoing resources	Transfer/gains or (losses)	At 31 March 2021
	£	£	£	£	£
Community Hub	-	118,750	(118,750)	-	-
Walsall Hub	-	39,500	(39,500)	-	-
Walsall Groups	-	7,000	(7,000)	-	-
Sports England	13,398	55,625	(69,023)	-	-
Children's Commissioned Services	-	249,934	(249,934)	-	-
Birmingham Multi-Care	-	159,286	(159,286)	-	-
Freehold property-BMC	931,000	-	(19,000)	-	912,000
	944,398	630,095	(662,493)	-	912,000

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2022

16 Restricted funds (continued)

The Community Hub – is a service for adults with learning disability, offering meaningful daytime opportunities and activities such as education, training and leisure. The staff consults individuals, their carers and families, to tailor services to suit their needs and wishes, arranging support and activities, and signposting to other relevant agents if necessary. You Choose service is part of the Community Hub grant that gives information and advice, using person-centred approaches, to young people with learning disabilities in the transition period of moving from education to adult life. Staff helps the service-user to plan and organise their care support, exploring their options, in a culturally sensitive way to meet their everyday needs, and give practical advice in managing their finances.

The Walsall Hub – is a service for all people with a learning disability, offering opportunities and activities such as education, leisure and training. The services are provided in a bespoke setting in Walsall town centre. Walsall City Council provides funding towards the building and clubs.

Walsall Groups – is a service facilitating social groups for people with a learning disability and receives funding from Walsall Council.

Sports England - Park Ride is a Sports England funded project that facilitates an inclusive family cycling project that provides the whole family, regardless of age or need with the opportunity to enjoy the great outdoors together by using a range of adapted and mainstream bikes.

Children's Commissioned Services – offer short breaks usually in 2 hour blocks to family carers. This gives them some free time to pursue their own interests, secure in the knowledge that their dependent is professionally supported, whether at home or on planned outings.

Birmingham Multi-Care Restricted income – Birmingham City Council funds the two respite care homes and the day centre to provide respite care and day time activities for Birmingham Multi-Care's citizens and carers.

Freehold property BMC represents the value of the properties held in the subsidiary Birmingham Multi-care Support Services Limited.

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2022

17 Capital commitments

There were no material capital commitments as at 31 March 2022.

18 Operating lease commitments

At 31 March 2022 the group company had minimum future lease payments under non-cancellable finance and Operating leases as follows:

	Land and Buildings £	Other £	2022 £	2021 £
Less than 1 year	235,460	13,420	248,880	260,342
2-5 years	661,560	-	661,560	728,240
More than 5 years	1,121,950	-	1,121,950	1,453,410
	<u>2,018,970</u>	<u>13,420</u>	<u>2,032,390</u>	<u>2,441,992</u>

Our three main housing long term operating leases are for periods of 10 and 20 years.

19 Net cash provided by operating activities

	2022 £	2021 £
Net movement in funds	897,512	921,004
Interest received	(7,607)	(11,964)
Rent received	(43,944)	(43,984)
Depreciation	188,484	210,730
Profit on disposal of fixed assets	-	(43,000)
Increase in stock	(17)	(4)
Increase in debtors	(143,927)	(129,030)
Increase in creditors	148,483	136,587
Loss on investments	33,165	-
	<u>1,072,149</u>	<u>1,040,039</u>

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2022

20 Related party transactions

There were no related party transactions between Midland Mencap and its Trustees in the year ended 31 March 2022.

Birmingham Multi-care Support Services Limited is a wholly owned subsidiary of Midland Mencap. Transactions during the year related to providing all functions of the Finance services, strategic and operational management. These services range from day to day transaction processing to internal and external reporting and governance. The related part transactions also include Central overhead costs allocation as BMC operates from the parent company's premises. Birmingham Multi-care Support Services paid £84,795 to Midland Mencap for the provision of these services (2021: £85,671).

Midland Mencap is a member of Forward Carers Consortium Limited and the CEO of Midland Mencap is a Board Director of the Consortium. Midland Mencap facilitated the transition of Forward Carers Consortium Limited from being a Midland Mencap project to delivering the project independently as a social enterprise organisation. In 2021/22 the total value of transactions to CERS, Family Carers and management services amounted to £520,918 (2021: £550,014). The amount due to Midland Mencap at 31 August 2022 was £66,286 and is included in trade debtors.

21 Net income from activities of subsidiary

Birmingham Multi-Care Support Services Limited, the wholly owned subsidiary of the charity is a charity providing care and support to people in Birmingham who have multiple disabilities and respite to their Parents and Carers. A summary of its results for the year to 31 March 2022 are shown below.

Audited accounts will be filed with the Registrar of Companies.

	2022	2021
Incoming resources	927,073	775,739
Resources expended	<u>(790,299)</u>	<u>(728,823)</u>
Net expenditure	136,774	46,916
The assets and liabilities at 31 March were:		
Fixed assets	894,649	915,077
Current assets	570,944	326,499
Current liabilities	<u>(227,393)</u>	<u>(140,150)</u>
Total net assets	1,238,200	1,101,426
Total funds		
Unrestricted funds	345,200	189,426
Restricted funds	<u>893,000</u>	<u>912,000</u>
	1,238,200	1,101,426

MIDLAND MENCAP

England & Wales - Charity number 1043360

Accounts

Charity Registration No. 1043360

Company Registration No. 03006451 (England and Wales)

MIDLAND MENCAP

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021



MIDLAND MENCAP

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MIDLAND MENCAP

Legal and Administrative Information

Registered Charity Name Midland Mencap

Status

The Organisation is a charitable company limited by guarantee and not having a share capital, incorporated in June 1995 and registered as a charity. The Company was established by its Memorandum of Association which sets out the objects and powers of the Charitable Company and is governed by its Articles of Association. The Memorandum and articles of association were amended and a resolution was passed at a Special General Meeting held on 31 October 2018. The Charity Commission has also approved the amendments to the governing documents.

Registered Charity number 1043360

Company number 03006451

Trustees

- M F Gallagher – Chairman
- R C Young
- K Gujral
- J Cleminson
- V M Penney - Resigned 30 September 2021
- N Smith
- C McGinley
- A Westwood – Resigned 23 October 2020
- W B Clements – Resigned 21 January 2021
- Dr F M McConnell – Appointed 23 November 2020

Principal address and registered office

Unit E, Pinewood
Bell Heath Way
Woodgate Business Park
Birmingham
B32 3BZ

Auditors

Cooper Parry Group Limited
Park View
One Central Boulevard
Blythe Valley Business Park
Solihull
B90 8BG

Bankers

Unity Trust Bank
Four Brindleyplace
Birmingham
B1 2JB

Chief Executive D Rogers

MIDLAND MENCAP

TRUSTEES' REPORT

For the year ended 31 March 2021

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary ("the Group") for the year ending 31 March 2021 which are also prepared to meet the requirements of a Directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

Mission

Midland Mencap works and campaigns for accessible and inclusive services and a better quality of life for everyone with experience of learning disability by advancing the views, needs and ambitions of people with experience of learning disability, promoting inclusion through challenging prejudice and discrimination, influencing social policy through campaigning, inspiring, developing and delivering innovative quality services which express inclusion, integration, expressed need and diversity and achieving equality of civil and legal rights through campaigning.

Trustees

The Trustees, who are also the Directors for the purpose of company law, who served during the year were:

M F Gallagher – Chairman
R C Young
K Gujral
J Cleminson
V M Penney - Resigned 30 September 2021
N Smith
C McGinley
A Westwood – Resigned 23 October 2020
W B Clements – Resigned 21 January 2021
Dr F M McConnell – Appointed 23 November 2020

None of the Trustees have any beneficial interest in the Company. All of the Trustees are members of the company. The Trustees and other members guarantee to contribute £1 in the event of an insolvent winding up. N Smith is a Trustee and a shadow Director of the Charitable Company.

MIDLAND MENCAP

TRUSTEES' REPORT

For the year ended 31 March 2021

Organisational Structure

The business of the Charity is managed by the Trustees acting as members and the Executive Committee. The Committee consists of the honorary officers of the Charity; up to twelve other members are appointed by the Board. The number of Executive Committee members may not be less than eight.

On 31 October 2018 a special general meeting was held to pass a special resolution allowing the Charity to now be governed by the revised Memorandum and Articles of Association. The Charity Commission has approved amendments to the organisation's Memorandum and Articles of Association and Charity's Objectives.

The Board of Trustees continues to delegate the responsibility for the day to day management of the Charity business to the Chief Executive and the senior management team. There is a clear distinction between the roles of the trustees and the senior management team. The senior management team is responsible for the production of strategic and operational plans, policies and budgets which are presented to the board of trustees for consideration, approval and monitoring. Board meetings are held regularly in order to update the Trustees on the activities and financial performance of the Charity.

Trustee Recruitment

When recruiting new Trustees the existing Trustees look for those individuals whose skills and experience can make a significant contribution to the management of the Charitable Company.

All new Trustees are made aware of their responsibilities as Charity Trustees and Company Directors and are helped to familiarise themselves with the practical and financial aspects of the Charitable Company's operations. To help them they are provided with a copy of the Company's Memorandum and Articles of Association, the latest published accounts, the Charitable Company's mission statement and appropriate Charity Commission publications.

OBJECTIVES AND ACTIVITIES

The current organisational strategy continues to steer the organisation against a backdrop of extreme challenges and uncertainty of funding that is facing the Third Sector. However, Midland Mencap continues to deliver a progressive and solution based strategy that continues to identify opportunities for growth in our service delivery in order to best serve people with disabilities and their families and carers regardless of age, gender and ethnicity. In delivering Midland Mencap's aims and objectives we will endeavour:

- To consolidate Midland Mencap's position as a leading disability provider in the West Midlands.
- To embed the recent governance changes within our offer to citizens and families that both strengthen and broaden access to Midland Mencap's three core offers.
- To further develop the robustness and effectiveness of the organisation's governance with ongoing commitment to Board development and trustee recruitment.
- To be a sector lead in the delivery of Universal Prevention Services.
- To align our Housing with Care & Support offer to proposed Prevention First and lifestyle commissioning of social care and Public Health.
- To position Midland Mencap core services with regional local authorities, West Midlands Combined Authority and other prospective funders.
- To work with partner organisations in securing Community Asset Transfer opportunities and mergers where they are consistent with Midland Mencap's core mission.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2021

OBJECTIVES AND ACTIVITIES (continued)

- To deliver on the expectations of our registration on Birmingham City Council's Business Charter for Social Responsibility.
- To continue to invest in our Housing provision.
- Working with citizens and family carers, as key partners, continue developing the organisational community offer promoting inclusion, well-being, and active lifestyles relevant to changing needs and rising demand.
- To continue to explore and diversify our funding streams in order to ensure continuity of projects that promote the core mission of Midland Mencap.
- To continue to explore and develop IT advancement and systems that promotes productivity and smooth delivery of our services..
- To continue to deliver a comprehensive volunteering strategy that meets the core mission of Midland Mencap.
- To maximise the use of marketing and social media to achieve recognition that promotes the work of Midland Mencap.
- To modernise and streamline the way we work .
- To raise more income through our fundraising and the development of corporate relationships.
- To continue to build capacity and resilience of our subsidiary organisation.
- To focus on our expertise and obtaining necessary expertise as a base for entering new market segments.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Charitable Company and in planning any future activities. The trustees always ensure that their strategic and operational objectives are carried out for the public benefit. This is achieved through the provision of a wide range of services to people with learning disabilities. This annual report demonstrates how Midland Mencap has spent funds available towards meeting its charitable objectives.

Review of financial position

Midland Mencap continues to hold a 100% stake in its subsidiary, Birmingham Multi-Care support services. This is a charitable company, limited by guarantee, whose mission, values, objectives and activities continue to align with those of Midland Mencap. As such the Midland Mencap financial statements are reported as consolidated accounts in accordance with relevant Accounting Standards.

The total consolidated income of £8,921,415 included of £775,739 income from the subsidiary and the total expenditure of £8,000,411 included £643,152 (after intercompany recharged of £85,671) from the subsidiary. The subsidiary reported a surplus of £46,916 and the overall group performance reported a surplus of £921,004. The consolidated balance sheet shows tangible fixed assets at £3,686,175 (2019: £3,343,627). This increase in tangible fixed assets is due to the acquisition of two new properties. The consolidated total reserves are £11,076,805 of which £5,181,722 are free reserves, £2,774,175 is designated to fixed assets and £2,200,000 are designated funds to Domcare services, IT system investment, Community Hub project and new business development funds. The group continues to have sufficient cash flows to carry out its charitable objectives.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2021

As explained in the reserves policy below, some reserves have been designated to meet planned expenditure and projects expected to be undertaken in the coming financial year. £2.2m has been designated to Domcare, new business development to ensure funding diversification and funding the growth and sustainability of Midland Mencap's Community services in the face of funding cuts against an increased demand for services.

The £912k in restricted reserves is attributed to Birmingham Multi-Care properties with a proviso that the monies be repaid to the trust, local and central government departments should certain conditions not be met.

Covid-19 impact and review

Midland Mencap and its subsidiary continued to deliver through out the Covid19 pandemic which covered all on the 2020/21 financial year. Despite the challenges with personal protective equipment (PPE), every Domcare and support need was met. The Community services were closed during lockdown periods and opened with very strict social distancing restrictions when lockdowns were lifted. Our Children services were initially closed but opened later in the 2020 summer period due to high demand for the services.

The coronavirus job retention scheme was utilised for the periods when services had to close due to lockdown and also allowed the organisation to maintain the employment of staff who had to shield on health grounds. However, the organisation could not claim the extra cost of statutory sick pay for staff self-isolating in accordance with government guidelines because Midland Mencap was classed as a large organization.

Continuous risk reviews were carried out to ensure that Midland Mencap continues to deliver its operational services. The closure of the local authority day centers meant that our Domcare and Support services provided extra hours of services which resulted in an increased income. The Housing offer had a steady income due to restricted movement of tenants and covid19 community infection control measures. Despite the fall of income in our Children and Community services, the extra Domcare delivery income and the continued grant payments from local authorities, Midland Mencap has ended the 2020/21 with a surplus. Due to restricted movement in our Housing offer,

Due to the overall strong cash flow and financial performance, it is reasonable to conclude that the organisation is a going concern at the date of signing off these financial statements.

Reserves policy

Over the last fifteen years Midland Mencap has built up substantial assets and cash reserves. The Trustees and Executive recognise that though the level of reserves provides the charity with significant financial security it also potentially inhibits relationships with existing or potential funders.

Having a reserves policy and clear explanations on why reserves are held at particular levels is a key part of the internal financial management of the organisation allowing the Trustees and management team to manage resources effectively and plan for the future.

Free reserves are the funds Midland Mencap can expend on any of its charitable purposes without external restrictions from funders. This does however exclude restricted funds as these must be spent for a specific purpose that it was initially intended by the funder. The free reserves also exclude the organisations tangible fixed assets held for the

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2021

charity's own use. This is because these assets are used by Midland Mencap to deliver activities and as such will not be instantly be converted to cash in order to meet a funding deficit should such need arise. In addition to this, designated funds are also excluded from free reserves. The designated funds are set aside to meet essential and specific short to medium term liabilities and projects that advance the organisation's charitable aims and objectives.

Therefore Midland Mencap's strategic plans have and will be developed to utilise the remaining free reserves to:

- Protect the financial stability of the organisation.
- Invest in IT infrastructure that will ensure efficient and effective operational processes.
- Facilitate the strategic and planned investment in growing our Community Hub offer to ensure its self-sustainability and wider reach.
- Allow the organisation to operate uninterrupted services in the event of funding delay or substantial funding cuts.
- Fund the organisation's growth strategy especially for new geographical areas.

Further to the use of free reserves outlined above, below are the details of the circumstances in which the free reserves will be utilised:

- To ensure funds are available for unforeseen emergencies or other unexpected needs, for example unexpected property repairs or funding for an urgent project opportunities.
- Unforeseen day to day operational costs.
- Grant income not being renewed.
- Planned commitments which may need higher levels of reserves.
- Funds to allow for increased beneficiary need.
- The need to fund short-term deficits in a cash budget, for example, money may need to be spent before funding is received.
- Staff retention

In 2020/2021, the consolidated total reserves are £11,076,805. Of this total, £5,181,722 are free reserves, £3,686,175 designated to fixed assets (£912k restricted) and £2,208,908 designated to projects and liabilities.

The Trustees consider that the current level of reserves will ensure that, in the event of a significant drop in funding, they will be able to continue the Charitable Company's current activities whilst consideration is given to ways in which additional funds may be raised. The reserves levels are monitored and maintained throughout the year.

MIDLAND MENCAP

TRUSTEES' REPORT (continued) For year ended 31 March 2021

Risk factors

The board of Trustees continually assess the risks to which the charity is exposed and systems have been put in place to mitigate these risks. Internal controls have been put in place to minimise operational risks by implementing an active and rigorous policy on safeguarding and health and safety procedures. Internal financial risks have been minimised by continual review and implementation of authorisation and monitoring of all transactions. Risks to future income and expenditure levels are monitored by setting annual budgets and monitoring actual performance on a monthly basis and this is reported to trustees at every board meeting. Where significant financial risk still remains, the board has ensured proper insurance cover.

The following table explains the principal risks that have been identified and could seriously impact on the charity's performance and future prospects and the steps taken to mitigate such risks.

Potential risk	Potential impact	Steps to mitigate risk
Dependency on income sources	<ul style="list-style-type: none">• Cash flow and budget impact of loss of income source.	<ul style="list-style-type: none">• Identification of major dependencies and finding alternative income sources well before end of contracts with major funders.• Adequate reserves policy.• Diversification of income streams.
Relationship with funders	<ul style="list-style-type: none">• Deterioration in relationship may impact on funding and support available.	<ul style="list-style-type: none">• Regular contact and briefings to major funders.• Project reporting as per required timelines by the funder.• Meeting funders' terms, conditions and requirements.
Government Policy	<ul style="list-style-type: none">• Availability of contract and grant funding.• Impact of tax regime on voluntary giving.• Impact of general legislation or regulation on how services are delivered.• Role of voluntary sector.	<ul style="list-style-type: none">• Monitoring of proposed legal and regulatory changes.• Membership of umbrella bodies that advocate for rights of people with learning disabilities.
Investment	<ul style="list-style-type: none">• Global market instability.• Unforeseen ethical issues.	<ul style="list-style-type: none">• Spread of risk on investment portfolios.• Regular reviews by investment managers on risk to portfolios.• Regular reviews by the investment management system to ensure investments are in line with charitable objectives.

MIDLAND MENCAP

**TRUSTEES' REPORT (continued)
For year ended 31 March 2021**

Risk factors (continued)

Project or service development	<ul style="list-style-type: none"> • Compatibility with objects, plans and priorities. • Funding and financial viability. • Project viability. • Skills availability. 	<ul style="list-style-type: none"> • Project appraisal and costing procedures to ensure that new projects are viable and within the charity's objectives. • Authorisation procedures followed to ensure proper allocation of income and expenditure. • Monitoring and reporting procedures to ensure project's progress is in line with available funding
Disaster recovery and planning	<ul style="list-style-type: none"> • Computer system failures or loss of data. • Destruction of property, equipment, records through fire, flood or similar damage. 	<ul style="list-style-type: none"> • Information systems recovery plan. • Data backup procedures and precautions. • Insurance cover. • Disaster recovery plan for alternative accommodation.
Competition	<ul style="list-style-type: none"> • Loss of contract income. • Reduced fund-raising potential • Reduced profile. • Profitability of trading activities. 	<ul style="list-style-type: none"> • Monitoring performance and quality of service to ensure that we maintain and improve the quality of service • Review of market and methods of service delivery to find ways of delivering services that helps Midland Mencap to stand out. • Fund-raising strategy to promote public awareness and our external profile within and outside our sector.
Subsidiary company	<ul style="list-style-type: none"> • Staff integration and TUPE • Integration of systems, policies and processes • Historical liabilities and contract commitments • Extra funding requirements 	<ul style="list-style-type: none"> • Through due diligence of policies, processes, contracts • Continued liquidity reviews • Review transferability of historical contracts and properties • TUPE audit • Operation's continuity reviews

MIDLAND MENCAP

TRUSTEES' REPORT (continued)

For year ended 31 March 2021

Employee remuneration

Midland Mencap aims to pay salaries that are fair and competitive within the charity sector in order to retain qualified staff. The remuneration of the senior management team is set and approved by the board of trustees' who benchmark their decision based on pay levels of similar sized charities.

Our key management personnel are the Chief Executive, Director of Operations, Head of Housing Care and support, Head of Community Operations, Head of Finance and Deputy Director of Operations.

Midland Mencap is committed to paying the Living Wage as set by Birmingham Business Charter.

Going Concern

The Trustees are satisfied that there are sufficient assets and funds for the Charitable Company to remain a going concern as explained in the notes to the financial statements below.

Related parties

The Charity is affiliated to Royal Mencap, Mencap National Centre, 123 Golden Lane, London, EC1Y 0RT.

This report was approved by the trustees on 25 November 2021 and signed on their behalf by:



M F Gallagher – Chairman

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services

Midland Mencap's Housing, Care and Support Services encompass a range of services namely Home Support, Supported Living and the Carers Emergency Response Service (CERS) under our CQC registered domiciliary care services, Housing/Tenancy Related Support, Sitting Service, Placing Vulnerable Urban Residents into Employment and Training (PURE) and Housing Management Services.

Driven by our ethos to deliver high quality care and support services and to deliver these to a high standard centred on the Care Quality Commissions five key areas of safe, effective, caring, responsive and well-led, the right to safe, secure, housing with the right support at the right time remains the cornerstone of Midland Mencap's offer to citizens. We continue to maintain the high specification of our existing portfolio of housing stock for people with a learning disability, our current portfolio of properties consists of:

- Ludford Close 24 studio apartments
2 x 1-bedroom flats
1 x 3-bedroom flat

- Dunnigan Road 1 x 3-bed, fully accessible, bungalow
1 x 2-bed, fully accessible, bungalow

- Underwood Close 2 x 3 bed, fully accessible, bungalow
7 x 1-bedroom flat
7 x 2-bedroom flats

- Kings Lodge 7 x 1-bed flats
2 x 2-bed flats
3 x fully accessible bungalows

We also have housing management responsibility for: -

- Burnel Road 1 x 4-bed shared house
1 x 3-bed shared house

We have also purchased two, three-bedroom, houses in Cornbrook Road, Selly Oak (part of the Bournville Village Trust estate). The properties are currently undergoing full refurbishment and will be supporting the tenants from Burnel Road to relocate to these properties thus affording them a smart, modern, larger living environment. By managing our own housing stock, we continue to have the invaluable opportunity to model the interiors and adapt these to meet individual needs to ensure they offer the opportunity for those with the most complex of disabilities to enjoy high quality, independent living.

A large proportion of Midland Mencap's Housing, Care and Support services are based on the provision of social care and health services. The service provides support with personal care, independent living and accessing social, recreational and leisure activities within the local and wider community. The service is available to children, young people and adults. All the services are built upon the provision of personalised support, independent living

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

and accessing social, recreational and leisure activities. Services are provided in a manner flexible enough to meet peoples' individual needs, as specified in their own Personal Citizen Plan.

Housing, Care and Support continue to be at the forefront of driving new digital technology and software across the organisation, improving a range of previously paper driven processes. We continue to expend tremendous resources in modelling our Unique:IQ software into a bespoke, tailor-made, solution to meet the whole organisation's needs. This is a complete care management software package that supports us to manage our end-to-end operational requirements from rostering, care planning, monitoring and time and attendance, electronic daily logs through to electronic payroll and invoicing. This will support the organisation to eliminate paper-based procedures, achieve operational efficiencies and reduce admin time and costs.

As a service we continue to manage and evaluate the impact of COVID-19 on our citizens and staff, as well as those cared for and their carers. There is no service within the organisation that has not felt the impact or effect of the virus. It is too early to assess the long-term implications on the scale and type of demand that COVID-19 has created, and the changes in the ways we may have to work in the future. The economic impacts of the virus mean that funding is likely to remain constrained unless there are wholesale changes to the national funding model by Government.

COVID-19 has impacted the already growing demand for mental health services and this will be exacerbated by any prolonged economic impacts. We remain committed to working with health colleagues and local authorities to enhance team working and to deliver a service that focusses on the individual's needs.

With ever decreasing resources and the continuation of central government austerity policies this has remained a challenging environment for both the recipient of support and the provider. Housing, Care and Support services have this year continued to advocate for the citizen in ensuring individuals continue to receive the right amount of support at the right time. Indeed, whilst many services have suffered due to COVID-19, we have seen a large-scale increase in our service delivery as many of the people who use our services would ordinarily attend a day placement/day centre. Due to COVID-19 restrictions these have remained closed thus meaning that additional care and support is required to ensure that individuals remain safe and well in their own home environments. In the 2020/2021 period we provided an additional 17,940.5 hours specifically to cover day placement/day centre closures.

In addition to this we have also encountered increased staff absences and significant additional PPE and infection control procedures all increasing costs. In the short term the impact has been addressed through additional funding from central government, but with COVID-19 likely to be present for a long period and with the vulnerability of some of our citizens, practices will need to be adapted.

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

Key achievements during 2020/2021:

Home Support/Supported Living & Tenancy/Housing Support Services

Across the year our care and support teams have delivered 325,085.5 hours of home-based care and housing support to individuals' right across Birmingham. Our home support and supported living services operate twenty-four hours a day, seven days of the week. We have: -

- Delivered 181,550 hours of home care/supported living with an additional 17940.5 hours delivered due to day placement/day centre closures.
- Delivered 68,993 hours of tenancy related support
- Delivered 27,118 waking night hours.
- Delivered 29,484 sleep-in hours.
- Supported 358 individuals with tenancy related support.
- Supported 5 individuals with home support.
- Supported 107 individuals with supported living.

Our services have been provided by a phenomenal group of frontline social care workers who have worked tirelessly and diligently to ensure that all the people who use our services have received high quality, person centred care this is despite the risks faced by our frontline staff and their families. We cannot commend our workforce enough for the service they have provided, ensuring that no one missed any critical care calls throughout the whole pandemic this is without mentioning the emotional support that they provided in ensuring that peoples spirits were kept up amongst those that were unable to go outside at the height of the pandemic.

Likewise, there was no break in frontline services for any citizen receiving tenancy related support via Supporting People. Face-to-face calls remained for anyone who required or wanted this, with additional doorstep visits carried out routinely supporting with additional shopping/pharmacy runs as well as weekly well-being calls.

Ensuring our staff have the right range of skills to undertake their roles and then maintaining these skills is critical to the safe delivery of our services. The 201-frontline housing, care and support staff have received 935.75 hours of training and support this year across a wide range of training covering areas such as the Care Certificate, induction, infection control, safeguarding, medication management, safe lifting and handling practices as well as update training in areas such as First Aid and Fire safety. This ensures that our staff are skilled, confident, but most importantly competent to support individuals with a wide range of care and support needs.

Carers Emergency Response Service (CERS)

Our Carers Emergency Response Service (CERS) has continued to ensure that Carers have absolute peace of mind knowing that if they are unable to undertake their caring responsibilities due to an emergency then our team will step in ensuring care and support to their loved one will continue in their absence. As well as the emergency provision of care CERS also provides an essential service allowing family carers to attend important pre-planned

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

appointments, such as health related consultations, ensuring carers can prioritise their own well-being alongside that of the person they care for.

Covid-19 impacted on the delivery of the CERS service, many pre-planned appointments were cancelled by the NHS due to the massive constraints placed on the national health service. In addition, a vast number of carers were isolating as they were deemed to be clinically extremely vulnerable so would not allow staff into their homes. Considering this, and with government guidance around the various lockdown situations, CERS staff fulfilled a mixture of remote and office-based working and took on numerous welfare check calls, offering advice/support to those that were struggling. Carers have been grateful and have spoken highly of those 'checking-in' on them. Many appreciated that family carers were remembered in a time of crisis.

CERS staff continue to share information relating to positive mental health websites and helplines. CERS staff also have a referral pathway to utilise should they recognise a family is struggling to cope, especially with the closure of schools and day centres. Families have on occasion called the CERS emergency line to simply ask for advice it has been a pleasure to be able to assist someone with a simple conversation; this may have possibly avoided a breakdown in the care delivery.

CERS staff continue to use their time flexibly and offer support via telephone evening and weekends, this has been welcomed by carers when isolation can feel like such a long and lonely time. This has proved that flexibility works from a service delivery aspect and the personal aspect of staff who were also having to deal with their own issues during the crisis.

Despite the constraints we have: -

- 1451 carers registered for the service (as of end March 2021)
- Supported with 13 separate emergencies, providing 326.75 hours of emergency support.
- Supported with 88 pre-planned appointments, providing 295 hours to carers to support these appointments.
- Completed 243 assessments for people wishing to access the service.
- Reviewed and updated 815 individual emergency support plans.
- Made 1791 Covid-19 related safe and well/welfare checks.

Placing Vulnerable Urban Residents into Employment and Training (PURE)

The PURE project is a part-funded European Social Funded project and has been operating since March 2019. It brings together a range of coordinated interventions which will assist the needs of citizens with barriers into the employment market. With the support of PURE Intervention Workers, they will support, guide and mentor individuals through to Employment, Education or Training.

- Participants gain an intensive level of support including but not limited to: (one to one support / action planning / at work support) leading to positive outcomes including Employment Education and Training.
- Bespoke support tailored to the individuals needs and demands.

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

The project is eligible for participants Birmingham wide, with an emphasis on areas of deprivation

In the last twelve-month period: -

- PURE have a total of 198 participants engaged and registered to the project.
- Midland Mencap, as an organisation, has employed two individuals to the post of Site Assistant, through the PURE project.
- We pivoted the team capacity to our organisation well-being effort during the pandemic with Intervention Workers contributing significantly to the organisation's wider effort.
- Despite the challenges faced by the pandemic, the team have supported a number of individuals into activities that have moved them closer to the job market. They have done this by assisting participants into volunteering, accredited training and CV building.

Birmingham Multi-Care Support Services

Birmingham Multi-Care is a subsidiary of Midland Mencap and provides a range of care and support services to children, young people and adults across Birmingham. Birmingham Multi-Care services include home based care and support, short breaks and respite as well as access to community based social, leisure and recreational opportunities.

Birmingham Multi-Care Respite Care Provision

We provide 8 respite care beds across two registered Respite Care Homes – Silver Birch Road in Erdington and Greswolde Park Road in Acocks Green. Both homes are regulated by the Care Quality Commission and offer high quality respite provision seven days per week.

The COVID-19 pandemic has had a serious impact on our respite service delivery as almost all carers who use our service were deemed to be clinically extremely vulnerable and, consequently, had to shield. This impacted on the respite care bookings as the people who use our services shielded along with their family members/carers. We were left with no option other than to temporarily close both of our respite care homes for a period and used the government Coronavirus Job Retention Scheme. This allowed us to designate the staff within both respite care homes as 'furloughed workers', with us accessing government support to continue paying part of the furloughed employees salaries and potentially protecting the employees from redundancy.

Ordinarily we would have the capacity to provide 5,840 nights of respite care provision per year however Greswolde Park Road closed on Friday 27th March 2020, re-opening on Monday 3rd August 2020 whilst Silver Birch Road closed on Friday 27th March 2020 and re-opened on Monday 2nd November 2020. This reduced the annual capacity at Greswolde Park Road by 512 nights and Silver Birch Road by 876 nights, therefore reducing our annual capacity by a total of 1,388 nights, with an overall capacity reduced to 4,452 nights. Furthermore, when we re-opened, and in line with creating a COVID secure environment for both citizens and staff, our capacity was reduced to 3 beds and not the normal 4 beds. This was introduced in both homes as they re-opened and was in place until the end of June 2021. This further reduced the capacity at Greswolde Park Road by another 240 nights and at Silver Birch

MIDLAND MENCAP

STRATEGIC REPORT

Achievements and Performance

Housing, Care and Support services (continued)

Road by another 149 nights (up to 31st March 2021) so, overall, we lost a combined total of 1,777 nights from the 2021/2021 period.

Birmingham Multi-Care Home Based Care and Support

Our home support and supported living services operate twenty-four hours a day, seven days of the week. As with our other services, this has been severely impacted by the pandemic as most of the support provided by Birmingham Multi-care is home based and many families were deemed to be clinically extremely vulnerable and, consequently, had to shield. As with our respite care services this impacted on the home-based care bookings as the people who use our services shielded along with their family members/carers. In addition to this staff that specifically supported individuals with recreational based activities were left with no work as all recreational activities and venues closed due to lockdown. We were left with no option other than to use the government Coronavirus Job Retention Scheme. This allowed us to designate these staff as 'furloughed workers', with us accessing government support to continue paying part of the furloughed employees salaries and potentially protecting the employees from redundancy.

We have: -

- Delivered 15,934.5 hours of care and support
- Delivered 3,510 sleep-in hours.
- Supported 60 individuals with home-based care and support, short breaks and access to community based social, leisure and recreational opportunities.

The 29 frontline staff have received 49.5 hours of training and support this year across a wide range of training covering areas such as the Care Certificate, induction, infection control, safeguarding, medication management, safe lifting and handling practices as well as update training in areas such as First Aid and Fire safety. This ensures that our staff are skilled, confident, but most importantly competent to support individuals with a wide range of care and support needs.

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Community Services Update 2020/2021

Key achievements during 2020/2021

'Keeping in Touch' Service in response to the pandemic

Key Stats

- We have made 82,581 safe and well calls, meaning on average 1,588 per week
- We have provided a 12 hour helpline, 7 days a week.
- We have delivered over 1,000 activities online (at least 3 per day) Minutes Viewed – 264,300 minutes Increase (4,405 hours, 183.5 days)
- Our online content has reached over 2,000,000 individual profiles (1006% increase on last year)
- 336 hours of Health and Wellbeing Workshops have been offered
- Distributed 140 Amazon Fire Tablets to individuals who did not have the access for online content
- 5067 activity packs were sent out, with up to 4 hours of activity (a total of 20,268 hours)
- Transferred awareness events online, such as Carers Week and LD Awareness week. Carers week included filming a live brass band at two carers homes.
- During LD week, citizens accessing services took over our channels for a week and created their own content

The community services team created the 'Keeping in Touch' offer in response to the closure of face to face provision across the West Midlands. The outcomes for 'Midland Mencaps Outreach service' were to ensure:

- 1) Individuals having up to date information on keeping safe and well and if they are unwell they have clear guidance and support on what they need to do
- 2) regular encouragement of adhering to the governments guidelines for the health and safety of all
- 3) have a 7 day support service for people to use on a needs basis
- 4) have a range of daily activities for individuals to engage with to reduce loneliness and isolation
- 5) increased levels of resilience, and maintain a healthy level of wellbeing

This has become a service offer which will be embedded into all community provision moving forward, ensuring that there is a hybrid on support on offer, including face to face and virtual.

Children and Young people (CYP) services:

Key Stats

- Delivered 3673 hours to Children & Young People and their families across **Birmingham**, where 74 children accessed
- Delivered 2578.5 hours to Children & Young People and their families in **Worcestershire**, where 20 individuals accessed
- Delivered 1346.5 hours to Children & Young People and their families in **Coventry**, where 20 individuals accessed
- Delivered 1506.25 hours to Children & Young People and their families in **Warwickshire**, where 18 children accessed
- **Total hours delivered: 9,104.25**

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Community Services Update 2020/2021 (continued):

In the year 2020-2021, Midland Mencap CYP have reacted to the ever changing circumstances surrounding the Covid-19 pandemic. Throughout the first lockdown, we responded to the need to have children and young people with disabilities in a short break environment when children were not able to attend school settings. We provided short tailor made sessions to individuals every weekday to enable parent carers the break they very much required. Covid secure protocols and guidelines were followed throughout and in the months of April to August we were able to deliver 1514 hours of short break support in Birmingham.

In the months that followed, Midland Mencap continued to deliver short break sessions in Birmingham at weekends and throughout the holidays and also provided some online zoom sessions for our children and young people who could no attend the sessions in person.

In Coventry, Warwickshire and Worcestershire, Midland Mencap have been delivering commissioned packages of support to children and young people. These have been adapted to fulfil the needs and wants of the family and the children. Throughout the year, numbers have grown and we were able to start some group based sessions in Coventry for children to attend.

Community Hub services:

Key Stats

- Delivered 1,223 health & wellbeing sessions for people with a learning disability across Birmingham, Walsall & Coventry
- 945 registered citizens including 65 new citizens, accessing meaningful things to do across Birmingham, Walsall & Coventry
- Delivered 256 hours of 'women only' day opportunities in East Birmingham

This annual review period has been one of immense changes and challenges due to the global Coronavirus Pandemic. None the less it has been a year of great achievements. While traditional service delivery has been severely impacted by lockdowns, social distancing guidelines and the wider fall out of Covid-19 infections and self-isolation, we none the less identified, risk assessed and planned for safe ways to deliver face-to-face day opportunities. Our face-to-face opportunities ranged from 1:1 session to groups between 3 and 10 depending on current local and national guidelines. Where we could, we utilised outdoor, open space to deliver health and wellbeing day opportunities. These sessions initially targeted those vulnerable adults most at risk of negative impacts of social isolation, on their mental health and wellbeing. These sessions have been essential in helping reduce mental health decline and increasing overall wellbeing, not just impacting on the individual, but feedback has shown us whole families benefited and took part as a family e.g., cycling, sailing and walking activities. Sessions that were delivered included the following: sailing lessons, cycling courses, wellbeing walks, football training and competitions, arts and crafts, Wii games, movie nights and healthy eating courses to name but a few. Within our specific Female South Asian Day Service we have been providing 1:1 home visits and local activities like wellbeing walks, while working on a modernise programme with the services commissioners and social work teams to create a modern building free community day opportunity programme of choice, with personal assistants supporting the ladies to be a more person-centred and user-led offer.

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Community Services Update 2020/2021 (continued):

Family Carers Support services

Key Stats

- 5877 case notes delivered to 1432 unique carers
- 587 new carers to Midland Mencap, resulting in 87 new registrations
- 78 Wellbeing Assessments
- 16 Completed Statutory Assessments

This annual review period has been one of immense changes and challenges due to the global Coronavirus Pandemic. None the less it has been a year of great achievements. While traditional service delivery has been severely impacted by lockdowns, social distancing guidelines and the wider fall out of Covid-19 infections and self-isolation, we none the less identified, risk assessed and planned for safe ways to deliver safe family support. We re-purposed our family and parent-carer courses to not only move online but adapt the content to reflect the impact of coping with the pandemic and its impacts on individuals and families. We also moved our support groups to on-line to ensure people could stay connected and not feel socially isolated. We saw a decrease in traditional and direct referrals, but through our 'safe and well' work we were in contact with and supporting hundreds of new families, identified by our Commissioning Partner Forward Carers as high risk to the impact of Covid-19.

Short Breaks Brokerage Service

Key stats

- 434 Children & Young People identified as high priority or key workers CYP received short breaks, brokered through the team to our managed provider network.
- 21,915 hours of short breaks delivered in the network, an average of 69 hours for each CYP
- 1,000 Activity Packs Sent Out
- 768 online sessions covering aprox. 50 different themes, from cooking, to learning new languages was produced.

Within our Short Break Brokerage work, we worked closely with the commissioners of the service, from the Children's Trust and those partner providers who were still open and delivering short breaks to Key-Workers Children and Young People or those identified by the Children's Trust or local partners as highly vulnerable and in need, to continue to deliver a hybrid of face to face delivery or online interactive sessions (a mix of live and pre-recorded content) along with creative activity packs designed to go along with the online content, or be used alone. We also negotiated an uplift in funding for our partner network to take into account the extra costs they were incurring as a result of moderating their service delivery to keep CYP with SEND safe and engaged during the pandemic.

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Community Services Update 2020/2021 (continued):

Parkride

Key Stats

Number of parkride sessions delivered to families and adults citizens / groups:

- Delivered 378 hours of delivery and 48 hours virtual delivery
- 603 individuals attended Parkride
- 157 families engaged in project
- We ran 28 events across the West Midlands Combined Authority Region

Parkride had gone from strength to strength despite the pandemic delivering more sessions & events and reaching more individuals, families and carers across the West Midlands.

Whilst sessions were put on hold during April – June 2020 we continued to support and communicate with all parkride participants via weekly zoom meetings, individual calls and regular social media posts! Participants were appreciative of the opportunity to talk to staff and others who were facing issues with the lockdown and the increase in isolation for them as individuals and families.

We used this time wisely to refocus our offer and ensure that we increased the reach across all areas of the West Midlands. We were able to achieve this after receiving funding from the emergency travel fund from Travel West Midlands/WMCA to deliver parkride pop events. Working in partnership with local authority colleagues we took 'Parkride Summer Extravaganza' across the 7 areas of the West Midlands combined Authority and successfully delivered events in each locality taking advantage of the many local parks. We delivered to over 269 individuals and families across the 6-week summer holidays. For many this gave individuals their first experience of adapted cycling supported by skilled staff. This enabled them to experience the many Health & Wellbeing benefits from being outside and learning or improving their cycling ability. Feedback from participants proved that there was a need for adapted cycling and has been a useful resource in negotiations with LA's to offer adapted cycling in local areas.

Following on from the success of the parkride at home we have received funding from the tranche 2 Emergency Travel Fund and are currently delivering cycling with confidence courses, try cycle events and recruiting travel buddies across the 7 LA areas.

At the same time, we continued to deliver our family fund project funded by Sport England to families and individuals across Birmingham and we are in the process of expanding this across the neighbouring authorities. Our Woodgate Over 50's Neighbourhood Network Scheme (NNS) has welcomed new participants at our twice weekly sessions and our oldest participant is 91 years old! This truly proves that you can cycle at any age!

Citizens Network (Jan 2021-March 2021)

Key Stats

- 165 groups/organisations have been contacted, which will have resulted in 4000 indirect contacts
- 87 fully engaged citizens providing feedback
- 20 external consultation events

One of new services this financial year is the **Include Me Citizens Network**. With the involvement and support of the Network Connector, the Citizens Network is a social movement that's designed to be the voice for people with a disability or long term health condition, along with parents, carers and other family members to work in collaboration

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Community Services Update 2020/2021 (continued):

with the West Midlands Combined Authority, and encourage positive changes to improve the overall accessibility for physical activity, and ultimately enable our minority groups across the region to develop a lifelong enjoyment, engagement and participation of physical activity and sport.

Becoming involved with **Citizens Network** is the first step in allowing us to develop a louder voice to influence and encourage the changes needed to make the West Midlands the best it can possibly be for accessibility, and what better time to start taking action in the midst of a pandemic, when everyone is planning and preparing for a new norm.

Essential Food Service

Key Stats

- Offered 'Packed lunches' in October half term and distributed 467 meals
- Offered a 'Hot Christmas Day Food Box' on Christmas Day and distributed over 100 hot meals
- Offered an 'Essential Food Bag Offer' and have distributed over 500 meals to families in the South Birmingham area

Midland Mencap became quickly aware, through our keeping in touch response during the beginning of the pandemic, that families were facing real struggles financially and a key area that was highlighted, was that of food poverty. As an organisation we acted quickly to support families with this urgent need. Initially we were sign-posting families to other food provisions, but we realised demand was so high that demand was outstripping supply, so during the half term of October 2020 we launched our free packed lunch offer for those families who were facing food poverty over the holidays. We were inundated with requests for help, but equally inundated with offers of help from the local community and businesses, who offered money and dry food goods. Over Christmas we provided essential food bags to families and a free hot lunch to those alone or in need of support over Christmas and in the third quarter of the period secured a small grant to help continue this work. Alongside this we have been working with the families to support them out of food poverty through a range of support options like money management, debt reduction, simply but healthy recipes. We will continue to grow our support in the area of healthy eating and the removal of citizens from food poverty.

Business Development

Key Stats

- Secured £120k from WMCA Active Travel Fund for Parkride
- Secured £40k from Birmingham City Council to support our Keeping in Touch Offer
- Secured £30k from WMCA Emergency Travel Fund for Parkride Summer Extravaganza
- Secured £30k from Peter Harrison Foundations to support a sports offer in Coventry
- Secured £25k from WMCA for Citizens Network
- Secured £10k from This Girl Can to provide a women only based sport offer
- Secured £9k from Sports England to deliver Parkride at Home, to take community provision to peoples front doors to build confidence during pandemic
- Secured £5k from Royal Mencap to provide four Healthy Eating Courses
- Secured £2k from Sports England to provide 'Sports Activity Packs' for citizens to enjoy at home
- Secured a range of funding below £1,500 for multiple resources

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Key Organisational Strategic Aims

The current organisational strategy continues to steer the organisation against a backdrop of extreme challenges and uncertainty of funding that is facing the Third Sector. However, Midland Mencap continues to deliver a progressive and solution based strategy that continues to identify opportunities for growth in our service delivery in order to best serve people with disabilities and their families and carers regardless of age, gender and ethnicity. In delivering Midland Mencap's aims and objectives we will endeavour:

- To consolidate Midland Mencap's position as a leading disability provider in the West Midlands
- To embed the recent governance changes within our offer to citizens and families that both strengthen and broaden access to Midland Mencap's three core offers
- To further develop the robustness and effectiveness of the organisation's governance with ongoing commitment to Board development and trustee recruitment
- To be a sector lead in the delivery of Universal Prevention Services
- To align our Housing with Care & Support offer to proposed Prevention First and lifestyle commissioning of social care and Public Health
- To work with partner organisations in securing Community Asset Transfer opportunities and mergers where they are consistent with Midland Mencap's core mission
- To position Midland Mencap core services with regional local authorities, West Midlands Combined Authority and other prospective funders
- To deliver on the expectations of our registration on Birmingham City Council's Business Charter for Social Responsibility
- To continue to invest in our Housing provision
- Working with citizens and family carers, as key partners, continue developing the organisational community offer promoting inclusion, well-being, and active lifestyles relevant to changing needs and rising demand
- To continue to explore and diversify our funding streams in order to ensure continuity of projects that promote the core mission of Midland Mencap
- To continue to explore and develop IT advancement and systems that promotes productivity and smooth delivery of our services
- To continue to deliver a comprehensive volunteering strategy that meets the core mission of Midland Mencap
- PR and Social Media: Maximising the use of marketing and social media to achieve recognition that promotes the work of Midland Mencap and serve our client's needs beyond the West Midland region.

Employee and volunteer contribution

Midland Mencap recognises the involvement of its entire staff in the shaping of its strategy to achieving its core charitable objectives. The skills, ideas and expertise of our management and staff are key to the success of the organisation. Staff engagement was key during 2020/21 Covid19 pandemic period. The wellbeing of our workforce, working under acute levels of stress and risk, was a priority from the very beginning of the pandemic. Through regular communication, staff were updated at least weekly on circumstances across the organisation. All staff were reminded of the confidential access to the existing employee wellbeing assistance scheme and signposted them to additional support provided by NHS and partner organisations. Supervisory managers were tasked with identifying staff who were struggling to ensure extra support could be provided. An open communication among staff and also from the Covid19 management team was essential to ensure that front line staff had the right personal protective

MIDLAND MENCAP

STRATEGIC REPORT (continued)

Employee and volunteer contribution (continued)

equipment and know-how to ensure that staff kept themselves, their families, our clients and their families safe under very challenging circumstances.

It has been a monumental effort across the board in absorbing significant workloads and working long hours and in providing relentless support clients. Without doubt our frontline colleagues are unquestionably heroes. To do what they have done every day, facing enormous risks, to then go home, rest, and do it all over again has been the most humbling experience. They deserve the most sincere and heartfelt thanks. There have been so many individual and team contributions throughout the pandemic that have demonstrated extraordinary dedication and commitment to simply helping citizens and families it's impossible to catalogue them all.

Face to face volunteering opportunities were suspended during the year due to Covid19 restrictions and service delivery challenges. However, as at signing of the 2021 accounts, a volunteer manager has been recruited to rebuild our volunteering offer and engage various members of the public, our clients, corporate bodies and other external stakeholders to create meaningful volunteering opportunities that will advance the organisation's charitable objectives.

MIDLAND MENCAP

Statement of Trustees' Responsibilities for the Financial Statements

The Trustees (who are also directors for the purposes of company law – except for those mentioned on page 1) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable group will continue in business.

The Trustees are responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of disclosure of information to auditors

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Cooper Parry Group Limited will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees on 25 November 2021 and signed on their behalf by:


M F Gallagher – Chairman

MIDLAND MENCAP

Independent Auditor's Report to the Members of Midland Mencap

Opinion

We have audited the financial statements of Midland Mencap for the year ended 31 March 2021 which comprise the Consolidated Statement of financial activities, the Consolidated and Parent Company Balance sheets, the Consolidated Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group's and company's affairs as at 31 March 2021, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

MIDLAND MENCAP

Independent Auditor's Report to the Members of Midland Mencap (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Trustees' Annual Report has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

MIDLAND MENCAP

Independent Auditors' Report to the Members of Midland Mencap (continued)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees who are also the Directors of the charitable company for the purposes of Company Law, except for those mentioned in page 1 of this annual report, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the group and the parent charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and parent charitable company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and parent charitable company's control environment and how the group and parent charitable company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and parent charitable company risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year;
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and

MIDLAND MENCAP

Independent Auditors' Report to the Members of Midland Mencap (continued)

- obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

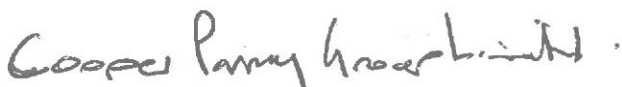
Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Simkins (FCA)
Senior Statutory Auditor
for and on behalf of:

Cooper Parry Group Limited
Chartered Accountants and Statutory Auditor
Park View, One Central Boulevard, Blythe Valley Park, Solihull, West Midlands B90 8BG

Date: 3/12/2021

MIDLAND MENCAP

MIDLAND MENCAP

Consolidated Statement of Financial Activities including the Income and Expenditure Account
For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Grants, donations and legacies	2	626,365	630,095	1,256,460	802,891
Charitable activities	5	7,560,604	-	7,560,604	7,564,474
Other trading activities	4	322	-	322	9,953
Investments	3	55,948	-	55,948	62,927
Other income	5a	48,081	-	48,081	123,005
Total income		8,291,320	630,095	8,921,415	8,563,251
EXPENDITURE ON:					
Fundraising		-	-	-	8,583
Charitable activities	6	7,337,918	662,493	8,000,411	8,035,887
Total expenditure		7,337,918	662,493	8,000,411	8,044,470
Net movement in funds		953,402	(32,398)	921,004	518,781
Reconciliation of funds					
Fund balance at 1 April 2020		9,211,403	944,398	10,155,801	9,637,020
Fund balances at 31 March 2021	15, 16	10,164,805	912,000	11,076,805	10,155,801

The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 31 to 47 form part of these financial statements

MIDLAND MENCAP
Registered Number 03006451
Consolidated Balance Sheet
As at 31 March 2021

	Notes	2021 £	£	£	2020 £
Fixed assets					
Tangible assets	10		3,686,175		3,343,627
					<u>3,343,627</u>
Current assets					
Asset held for sale		-		250,000	
Stocks		1,170		1,166	
Debtors	11	945,218		816,188	
Cash at bank and in hand		6,205,035		5,374,299	
Investments		900,000		900,000	
		8,051,423		7,341,657	
Creditors: amounts falling due within one year	12	(651,885)		(520,571)	
Net current assets			7,399,538		6,821,082
Total assets less current liabilities			11,085,713		10,164,709
Creditors: amounts falling due after more than one year	13		(8,908)		(8,908)
Total net assets			11,076,805		10,155,801
Funded by					
Unrestricted funds	15				
Free Reserves			5,181,722		4,589,868
Tangible Fixed Assets			2,774,175		2,412,627
Financial Commitments			8,908		8,908
Other designated funds			2,200,000		2,200,000
Restricted funds	16				
Tangible Fixed Assets			912,000		931,000
Restricted reserves			-		13,398
			11,076,805		10,155,801

The notes on pages 31 to 47 form part of these financial statements

The accounts were approved by the Board on 25 November 2021, and were signed on their behalf by:

M F Gallagher – Chairman

M. F. Gallagher

MIDLAND MENCAP
Registered Number 03006451
Balance Sheet (Company)
As at 31 March 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	10		2,771,100		2,408,119
					2,408,119
Current assets					
Asset held for sale	10a	-		250,000	
Stocks		1,170		1,166	
Debtors	11	891,467		691,560	
Cash at bank and in hand		6,020,736		5,334,464	
Investments		900,000		900,000	
		7,813,373		7,177,194	
Creditors: amounts falling due within one year	12	(600,208)		(475,114)	
Net current assets			7,213,165		6,702,080
Total assets less current liabilities			9,984,265		9,110,199
Creditors: amounts falling due after more than one year	13		(8,908)		(8,908)
Total net assets			9,975,357		9,101,291
Funded by					
Unrestricted funds	15				
Free Reserves			4,995,349		4,470,866
Tangible Fixed Assets			2,771,100		2,408,119
Financial Commitments			8,908		8,908
Other designated funds			2,200,000		2,200,000
Restricted funds	16				
Restricted reserves			-		13,398
			9,975,357		9,101,291

The notes on pages 31 to 47 form part of these financial statements

The accounts were approved by the Board on 25 November 2021, and were signed on their behalf by:

M F Gallagher – Chairman

M. F. Gallagher

MIDLAND MENCAP
CONSOLIDATED STATEMENT OF CASHFLOWS
For the year ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	19	1,040,039	375,094
Cash flows from investing activities			
Interest received		11,964	26,651
Rental income		43,984	36,726
Payments to acquire tangible fixed assets		(553,278)	(340,729)
Receipt from the sale of assets held for sale		293,000	772,750
Net cash provided by investing activities		835,709	870,042
Cash flows from financing activities:			
Finance lease instalments adjustment/(repayment)		(4,973)	(811)
Net cash used in financing activities		(4,973)	(811)
Change in cash and cash equivalents in the reporting period		830,736	870,772
Cash and cash equivalents at the beginning of the reporting period		5,374,299	4,503,527
Cash and cash equivalents at the end of the reporting period		6,205,035	5,374,299

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

1.1 General information and basis of preparation

Midland Mencap is a charitable company domiciled in the United Kingdom. The address of the registered office is shown on the legal and administrative information page of this report. The charity constitutes a public benefit as defined by FRS102

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

In the Trustees' Report, there is a review of the charity's current financial performance, liquidity and the ability to meet its current and future obligations. Financial projections into the foreseeable future have been made taking into consideration the potential risks to various income streams to Midland Mencap. As a result of this analysis, the trustees have reasonable assurance that the charity is able to continue with its operations for the foreseeable future. Therefore, the financial statements are prepared on a going concern basis under the historical cost convention as modified to include property at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The consolidated accounts incorporate the accounts of the parent charitable company and all group undertakings. Consolidation has been undertaken on a line by line basis. A separate statement of financial activities for the parent charitable company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006.

1.2 Income recognition

Income from grants for charitable activities is recognised when earned. Other trading activities, investment and other income is recognised when received. Donations and legacies are recognised when notified provided the conditions for their receipt have been met and there is reasonable certainty of receipt and the amounts can be measured reliably.

No amount is included in the financial statements for volunteer time in line with SORP (FRS 102).

1.3 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate costs related to the category. Expenditure is recognised where there is legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1 ACCOUNTING POLICIES (CONTINUED)

Expenditure recognition (continued)

As per FRS 102, governance costs form part of the charitable expenditure in the Statement of Financial Activities (SOFA) but more details is shown in Note 6 to the accounts. Charitable expenditure comprises those costs directly incurred in carrying out its charitable activities and expenditure of an indirect nature necessary to support these activities. Governance costs are those associated with the constitutional and statutory requirements of the charitable company and include audit fees and costs incurred in the strategic management of the charitable company.

Rental charges payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease. Assets held under finance leases are shown as fixed assets and depreciated over the life of the lease.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost as per FRS 102 first adoption rules) less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The rates used are:

Leasehold property	Over the period of the lease
Freehold property	Written off over 25 years and 50 years
Property additions	10% straight line
Office machinery	Between 10% and 35% straight line
Fixtures and fittings	Between 10% and 35% straight line
Motor vehicles	25% straight line

Purchases of equipment and any fixtures and fittings deemed to be additions, as distinct from replacements, are capitalised if the initial cost of the asset exceeds £1,000. Otherwise the cost is treated as an expense.

Where the current value of a tangible fixed asset is found to be less than its carrying value, the asset is written down to its recoverable amount. The loss on impairment is charged to the appropriate expenditure category in the statement of financial activities. The charitable company currently has no assets to which impairment provisions apply.

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date. Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains are recognised within the statement of financial activities unless they reverse a charge for impairment that has previously been recognised as a cost within expenditure headings of the statement of financial activity. Revaluation losses are recognised as an expense in the relevant expenditure heading of the Statement of financial activities except to the extent to which they offset any previous revaluation gains, in which case the loss is shown in the 'Gains/(losses) on the revaluation of fixed assets section of the statement of financial activities.

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1 ACCOUNTING POLICIES (Continued)

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Investment properties

Investments are included in the balance sheet at market value. They are regularly revalued and the resultant surpluses or deficits are taken to the Statement of Financial Activity as an investment gain or loss. In accordance with FRS 102, no depreciation is provided on investment properties.

1.7 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

1.8 Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

1.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which a donor has specified to be solely used for particular areas of the charity's activities.

1.10 Going concern

These accounts have been prepared on a going concern basis. The Trustees have considered current funding streams and reviewed the 2020/21 budget. The grant income for the coming year from the local authorities has been confirmed and a detailed review of budgeted income and expenditure 2020/21 has been undertaken. Asha House day care activities have been reviewed favourably and their delivery is aligned with Midland Mencap's community hub services to ensure that wellbeing activities and opportunities continue to be delivered. Current plans are to extend the day care offer to a wider demographic. The Homes are not yet operating at full capacity and as such the parent company, Midland Mencap, has formally committed, through its Board of Trustees, to underwrite any necessary investment to services that may be required in the ordinary course of providing operational services and activities to the citizens and carers of Birmingham Multi-Care. The Trustees are therefore satisfied that there are sufficient assets and funds for the Charitable Company to remain a going concern.

MIDLAND MENCAP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

1 ACCOUNTING POLICIES (Continued)

1.11 Financial Instruments

The charitable company enters into only basic financial instrument 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, loans to related parties and investments in non-puttable ordinary shares. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.12 Pensions

The charitable company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the Statement of Financial Activities.

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations	32,399	-	32,399	22,394
Legacies	19,186	-	19,186	-
Grants	574,780	630,095	1,204,875	780,497
	<u>626,365</u>	<u>630,095</u>	<u>1,256,440</u>	<u>802,891</u>

Of the £802,891 income received in 2020, £780,497 was restricted income and £22,394 was unrestricted income.

Included within unrestricted grants is £317,284 claimed under the governments coronavirus job retention scheme.

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Rental income	43,984	-	43,984	36,726
Interest receivable	11,964	-	11,964	26,651
	<u>55,948</u>	<u>-</u>	<u>55,948</u>	<u>62,927</u>

All investment income received in 2020 all related to unrestricted funds.

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2021**

4 Other Trading Activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bar sales	322	-	322	9,489
Vending Machines	-	-	-	464
	<u>322</u>	<u>-</u>	<u>322</u>	<u>9,953</u>

Income from Other trading activities in 2020 all related to unrestricted funds

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Carers activities (Forward Carers)	635,297	-	635,297	655,221
Domcare fees	4,608,440	-	4,608,440	4,377,204
Supporting People	1,340,753	-	1,340,753	1,381,185
HB & Residents' contributions	689,030	-	689,030	642,298
Activity and Travel Contributions	20,509	-	20,509	137,879
Other Contributions	38,760	-	38,760	31,831
PA Service	227,816	-	227,816	338,856
	<u>7,560,604</u>	<u>-</u>	<u>7,560,604</u>	<u>7,564,474</u>

Of the £6,783,977 total income in 2020, £780,497 was restricted income and £7,564,475 was unrestricted income.

5a Other income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Other income	5,081	-	5,081	10,422
Profit from sale of fixed asset	43,000	-	43,000	112,583
	<u>48,081</u>	<u>-</u>	<u>48,081</u>	<u>123,005</u>

In 2020 all other income related to unrestricted funds.

MIDLAND MENCAP

**Notes to Financial Statements (continued)
For the Year ended 31 March 2021**

6 Resources expended	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Charitable expenditure				
Salaries, wages and social security	5,806,127	439,702	6,245,829	6,121,937
Other staff costs	67,489	17,574	85,063	80,904
Direct costs for charitable activities	319,846	55,157	375,003	502,726
Office, Support and Admin costs	872,942	113,862	986,804	1,013,701
Governance (note 6 a)	96,982	-	96,982	103,778
Depreciation	174,532	36,198	210,730	212,842
	<u>7,337,918</u>	<u>662,493</u>	<u>8,000,411</u>	<u>8,035,887</u>

Of the £8,035,887 expended in 2020, £805,549 was restricted expenditure and £7,230,339 was unrestricted expenditure.

6a Governance costs	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Salaries and social security	39,026	-	39,026	40,502
Trustees' indemnity insurance	1,512	-	1,512	1,341
Auditors' remuneration current year	20,087	-	20,087	19,392
Legal and professional	-	-	-	2,480
Printing	23	-	23	338
Travel expenses	-	-	-	781
Catering	-	-	-	2,548
HR consultancy	35,825	-	35,825	35,885
Affiliation	509	-	509	510
	<u>96,982</u>	<u>-</u>	<u>96,982</u>	<u>103,778</u>

Expenditure not directly attributable to governance has been apportioned on an appropriate basis such as staff time or usage.

MIDLAND MENCAP**Notes to the Financial Statements (continued)
For the year ended 31 March 2021****6b Net Group incoming resources for the year**

Net incoming resources for the group are stated after charging:

	2021	2020
	£	£
Depreciation	210,730	212,842
Rentals from operating expenses	263,260	287,194
Auditor's remuneration	21,618	21,872
	<u>495,608</u>	<u>521,908</u>

7 Trustees

During the year, nil (2020: four trustees) were reimbursed out of pocket expenses in relation to travel. No Trustee received any remuneration (2020: £nil). There were no donations from Trustees to the charitable company (2020: Nil)

8 Employees**Total Staff costs**

	2021	2020
	£	£
Wages and salaries	5,821,293	5,724,902
Social security costs	361,762	336,086
Pension scheme contributions	101,800	101,450
	<u>6,284,855</u>	<u>6,162,439</u>

Number of employees

	2021	2020
	No.	No.
The average number of employees during the year was:	<u>387</u>	<u>397</u>

In 2020/21 the organisation had eight senior managers whose total pay remuneration costs amounted to £468,905 (2020, seven senior managers: £356,600). Pension contributions in respect of these individuals were £5,415 (2020: £5,194).

There was one employee whose annual emoluments were in the range £90,000 - £100,000 and one employee in the range of £60,000 - £70,000 (2020: one employee in the range of £80,000 - £90,000 and one employee in the range of £60,000 - £69,999).

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2021

9 Pension scheme

The Charitable group contributes to group personal pension plans for certain employees. Midland Mencap continues to comply with Work Place Pensions law by making contributions to the new pension scheme for all eligible employees. All employees who qualify are automatically enrolled into the pension scheme. Those employees who are not automatically eligible are given the opportunity to opt into the pension scheme. The employer contribution is 3% in line with the Pension regulators requirements. The old pension scheme was closed to new entrants so it is set to remain stable or decrease as employees make career moves. The charge in the Statement of Financial Activities represents contributions paid by Midland Mencap in respect of the year ended 31 March 2021 amounted to £101,800 (2020: £101,450).

10 Tangible fixed assets (Group)

	Freehold property £	Leasehold property £	Office equipment £	Fixtures & fittings £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2020	3,079,438	606,935	224,169	450,285	28,289	4,389,115
Additions	524,833	-	15,845	-	12,600	553,278
Disposal	-	-	-	(132,039)	-	(132,039)
At 31 March 2021	3,604,271	606,935	240,014	318,246	40,889	4,810,354
Depreciation						
At 1 April 2020	103,489	512,311	150,175	271,136	8,378	1,045,488
Charge for year	61,769	54,631	27,309	60,106	6,915	210,730
Disposals	-	-	-	(132,039)	-	(132,039)
At 31 March 2021	165,258	566,942	177,484	199,203	15,293	1,124,179
Net book value						
At 31 March 2021	3,439,013	39,993	62,530	119,043	25,596	3,686,175
At 31 March 2020	2,975,949	94,624	73,994	179,148	19,911	3,343,627

The charity lets a portion of its freehold property to another charity with similar charitable purposes and receives a rental income from this arrangement

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2021**

10 Tangible fixed assets (continued))

Tangible fixed assets (Company only)

	Freehold property £	Leasehold property £	Office equipment £	Fixtures & fittings £	Motor vehicles £	Total £
Cost						
At 1 April 2020	2,129,438	606,935	220,110	316,596	28,289	3,301,368
Additions	524,833	-	15,845	-	12,600	553,278
At 31 March 2021	2,654,271	606,935	235,955	316,596	40,889	3,854,646
Depreciation						
At 1 April 2020	84,489	512,311	149,521	138,547	8,378	893,246
Charge for year	42,769	54,631	26,292	59,693	6,915	190,300
At 31 March 2021	127,258	566,942	175,813	198,240	15,293	1,083,545
Net book value						
At 31 March 2021	2,527,013	39,993	60,114	118,356	25,596	2,771,100
At 31 March 2020	2,044,949	94,624	70,590	178,049	19,911	2,408,123

MIDLAND MENCAP**Notes to the Financial Statements (continued)
For the year ended 31 March 2021****11 Debtors**

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	542,702	433,008	463,607	327,579
Accrued income	47,533	310,858	387,434	291,826
Prepayments	354,982	72,322	40,426	72,154
	<u>945,218</u>	<u>816,188</u>	<u>891,467</u>	<u>691,560</u>

12 Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Tax and Social Security	118,160	88,029	109,846	78,283
Other creditors	104,775	80,323	103,769	76,547
Accruals	346,456	350,219	315,635	318,284
Deferred income (12a)	82,494	2,000	79,866	2,000
	<u>651,885</u>	<u>520,571</u>	<u>609,116</u>	<u>475,114</u>

12a Deferred income analysis (Group and Company)

	2021	2020
	£	£
Deferred income brought forward	2,000	8,300
Deferred income released in year	(2,000)	(8,300)
Deferred income during the year	82,494	2,000
	<u>82,494</u>	<u>2,000</u>
Deferred income carried forward	82,494	2,000

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2021**

13 Creditors: amounts falling due after 1 year

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Obligations under finance leases	8,908	8,908	8,908	8,908
	<u>8,908</u>	<u>8,908</u>	<u>8,908</u>	<u>8,908</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
GROUP (CURRENT YEAR)			
Tangible fixed assets	2,774,175	912,000	3,686,175
Stocks	1,170	-	1,170
Debtors	945,218	-	945,218
Cash at bank and in hand	6,205,035	-	6,205,035
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(651,885)	-	(651,885)
Creditors: amounts falling due after more than one year	(8,908)	-	(8,908)
	<u>10,164,805</u>	<u>912,000</u>	<u>11,076,805</u>

	Unrestricted funds £	Restricted funds £	Total £
GROUP (PRIOR YEAR)			
Tangible fixed assets	2,412,627	931,000	3,343,627
Assets held for sale	250,000	-	250,000
Stocks	1,166	-	1,166
Debtors	816,188	-	816,188
Cash at bank and in hand	5,360,301	13,398	5,374,299
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(520,571)	-	(520,571)
Creditors: amounts falling due after more than one year	(8,908)	-	(8,908)
	<u>9,211,403</u>	<u>944,398</u>	<u>10,155,801</u>

MIDLAND MENCAP**Notes to the Financial Statements (continued)
For the year ended 31 March 2021****14 Analysis of net assets between funds (Continued)**

	Unrestricted funds	Restricted funds	Total
	£	£	£
COMPANY (CURRENT YEAR)			
Tangible fixed assets	2,771,100	-	2,771,100
Stocks	1,170	-	1,170
Debtors	891,467	-	891,467
Cash at bank and in hand	6,020,736	-	6,020,736
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(600,208)	-	(600,208)
Creditors: amounts falling due after more than one year	(8,908)	-	(8,908)
	<u>9,975,357</u>	<u>-</u>	<u>9,975,357</u>

	Unrestricted funds	Restricted funds	Total
	£	£	£
COMPANY (PRIOR YEAR)			
Tangible fixed assets	2,408,119	-	2,408,119
Investment assets held for sale	250,000	-	250,000
Stocks	1,166	-	1,166
Debtors	691,560	-	691,560
Cash at bank and in hand	5,334,464	-	5,334,464
Investments	900,000	-	900,000
Creditors: amounts falling due within one year	(475,114)	-	(475,114)
Creditors: amounts falling due after more than one year	(8,908)	-	(8,908)
	<u>9,101,291</u>	<u>-</u>	<u>9,101,291</u>

MIDLAND MENCAP

**Notes to the Financial Statements (continued)
For the year ended 31 March 2021**

15 Unrestricted funds Group (Current year)

	At 1 April 2020	Incoming resources	Outgoing resources	Transfer/gains or (losses)	At 31 March 2021
	£	£	£	£	£
Free reserves	4,589,868	8,291,320	(7,337,918)	(362,548)	3,658,867
Designated funds					
Tangible fixed assets	2,412,627	-	-	362,548	2,774,175
Financial commitments	8,908	-	-	-	8,908
Other designated funds	2,200,000	-	-	-	2,200,000
	<u>9,211,402</u>	<u>8,291,320</u>	<u>(7,337,918)</u>	<u>-</u>	<u>10,164,805</u>

The £2,200,000 reserves are designated to Domcare services (£800k), IT system investment (£400k), Community Hub project (£500 k) and new business development funds of (£500k).

Unrestricted funds Group (Prior year)

	At 1 April 2020	Incoming resources	Outgoing resources	Transfer/gains or (losses)	At 31 March 2021
	£	£	£	£	£
Free reserves	3,531,945	7,782,754	(7,238,922)	(416,910)	3,658,867
Designated funds					
Tangible fixed assets	2,925,906	-	-	417,721	3,343,627
Financial commitments	9,719	-	-	(811)	8,908
Other designated funds	2,200,000	-	-	-	2,200,000
	<u>8,667,570</u>	<u>7,782,754</u>	<u>(7,238,922)</u>	<u>-</u>	<u>9,211,402</u>

MIDLAND MENCAP

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

16 Restricted Group funds (Current Year)

	At 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfer/gains or (losses) £	At 31 March 2021 £
Community Hub	-	118,750	(118,750)	-	-
Walsall Hub	-	39,500	(39,500)	-	-
Walsall Groups	-	7,000	(7,000)	-	-
Sports England	13,398	55,625	(69,023)	-	-
Children's Commissioned Services	-	249,934	(249,934)	-	-
Birmingham Multi-Care Freehold property-BMC	- 931,000	159,286 -	(159,286) (19,000)	- -	- 912,000
	<u>944,398</u>	<u>630,095</u>	<u>(662,493)</u>	<u>-</u>	<u>912,000</u>

Restricted Group funds (Prior year)

	At 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfer/gains or (losses) £	At 31 March 2021 £
Community Hub	-	179,984	(179,984)	-	-
Walsall Hub	-	39,416	(39,416)	-	-
Walsall Groups	-	7,000	(7,000)	-	-
Sports England	19,450	120,693	(126,744)	-	13,398
Children's Commissioned Services	-	241,228	(241,228)	-	-
Birmingham Multi-Care Freehold property-BMC	- 950,000	192,176 -	(192,176) (19,000)	- -	- 931,000
	<u>969,450</u>	<u>780,497</u>	<u>(805,549)</u>	<u>-</u>	<u>944,398</u>

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2021

16 Restricted funds (continued)

The Community Hub – is a service for adults with learning disability, offering meaningful daytime opportunities and activities such as education, training and leisure. The staff consults individuals, their carers and families, to tailor services to suit their needs and wishes, arranging support and activities, and signposting to other relevant agents if necessary. You Choose service is part of the Community Hub grant that gives information and advice, using person-centred approaches, to young people with learning disabilities in the transition period of moving from education to adult life. Staff helps the service-user to plan and organise their care support, exploring their options, in a culturally sensitive way to meet their everyday needs, and give practical advice in managing their finances.

The Walsall Hub – is a service for all people with a learning disability, offering opportunities and activities such as education, leisure and training. The services are provided in a bespoke setting in Walsall town centre. Walsall City Council provides funding towards the building and clubs.

Walsall Groups – is a service facilitating social groups for people with a learning disability and receives funding from Walsall Council.

Sports England - Park Ride is a Sports England funded project that facilitates an inclusive family cycling project that provides the whole family, regardless of age or need with the opportunity to enjoy the great outdoors together by using a range of adapted and mainstream bikes.

Children's Commissioned Services – offer short breaks usually in 2 hour blocks to family carers. This gives them some free-time to pursue their own interests, secure in the knowledge that their dependent is professionally supported, whether at home or on planned outings. This grant was extended further to March 2021.

Birmingham Multi-Care Restricted income – Birmingham City Council funds the two respite care homes and the day centre to provide respite care and day time activities for Birmingham Multi-Care's citizens and carers.

The transfer from unrestricted funds presents the contribution from unrestricted funds to fund various services where a shortfall arises.

Freehold property cost represents the value of the properties purchased. The Trustees have considered the allocation of depreciation in respect of these properties and a transfer has been made from restricted reserves to unrestricted reserves to correct the previously misallocated depreciation.

Freehold property revaluation reserve represents the revaluation of freehold properties.

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2021

17 Capital commitments

There were no material capital commitments as at 31 March 2021.

18 Finance and Operating leases

At 31 March 2021 the group company had minimum future lease payments under non-cancellable finance and Operating leases as follows:

	Finance £	Operating £	2021 £	2020 £
Less than 1 year	3,635	256,707	260,342	260,342
2-5 years	-	728,240	728,240	728,240
More than 5 years	-	1,453,410	1,453,410	1,753,752
	<u>3,665</u>	<u>2,438,327</u>	<u>2,441,992</u>	<u>2,702,334</u>

Our three main housing long term operating leases are for periods of 10 and 20 years.

19 Net cash provided by operating activities

	2021 £	2020 £
Net movement in funds	921,004	518,781
Interest received	(11,964)	(26,651)
Rent received	(43,984)	(36,276)
Depreciation	210,730	212,842
Profit on disposal of fixed assets	(43,000)	(112,583)
(Increase)/ Decrease in stock	(4)	4
(Increase) /Decrease in debtors	(129,030)	51,000
Increase / (Decrease) in creditors	136,587	(232,023)
	<u>1,040,039</u>	<u>375,094</u>

MIDLAND MENCAP

Notes to the Financial Statements (continued) For the year ended 31 March 2021

20 Related party transactions

There were no related party transactions between Midland Mencap and its Trustees in the year ended 31 March 2021.

Birmingham Multi-care Support Services Limited is a wholly owned subsidiary of Midland Mencap. Transactions during the year related to providing all functions of the Finance services, strategic and operational management. These services range from day to day transaction processing to internal and external reporting and governance. The related part transactions also include Central overhead costs allocation as BMC operates from the parent company's premises. Birmingham Multi-care Support Services paid £85,671 to Midland Mencap for the provision of these services (2020: £4,144).

Midland Mencap is a member of Forward Carers Consortium Limited and the CEO of Midland Mencap is a Board Director of the Consortium. Midland Mencap facilitated the transition of Forward Carers Consortium Limited from being a Midland Mencap project to delivering the project independently as a social enterprise organisation. In 2020/21 the total value of transactions to CERS, Family Carers and management services amounted to £550,014 (2020: £501,308).

21 Net income from activities of subsidiary

Birmingham Multi-Care Support Services Limited, the wholly owned subsidiary of the charity is a charity providing care and support to people in Birmingham who have multiple disabilities and respite to their Parents and Carers. A summary of its results for the year to 31 March 2021 are shown below.

Audited accounts will be filed with the Registrar of Companies.

	2021	2020
Incoming resources	775,739	796,731
Resources expended	<u>(728,823)</u>	<u>(849,383)</u>
Net expenditure	46,916	(52,652)
The assets and liabilities at 31 March were:		
Fixed assets	915,077	935,504
Current assets	326,499	164,463
Current liabilities	<u>(140,150)</u>	<u>(45,457)</u>
Total net assets	1,101,426	1,054,510
Total funds		
Unrestricted funds	189,426	123,510
Restricted funds	<u>912,000</u>	<u>931,000</u>
	1,101,426	1,054,510