

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

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.

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.

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.

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.

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.

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.

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

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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

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.

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.

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>	<u>8,764,633</u>
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>
Total funds			

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			
		<u>15,735,487</u>	<u>14,023,714</u>
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			
		<u>15,735,487</u>	<u>14,023,714</u>

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>
	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>

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

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
	8,966,886	8,966,886	9,669,660

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
	24,949	24,949	16,629

The income in 2024 was wholly attributable to unrestricted funds.

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

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>

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

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

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

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

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	6,567,614	693,974	344,681	364,113	80,860	8,051,242
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	486,682	625,977	273,431	334,532	39,390	1,760,012
Net book value						
At 31 March 2025	6,080,932	67,997	71,250	29,581	41,470	6,291,230
At 31 March 2024	5,409,493	74,221	20,248	21,976	2,357	5,528,295

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	5,742,614	693,974	340,622	362,463	80,860	7,220,533
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	444,682	625,977	269,374	332,880	39,390	1,712,303
Net book value						
At 31 March 2025	5,297,932	67,997	71,248	29,583	41,470	5,508,230
At 31 March 2024	4,779,493	74,221	20,246	21,979	2,357	4,898,296

Freehold property includes £375,257 (2024 - £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 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.

Midland Mencap
(A company limited by guarantee)

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

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).

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>

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

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>

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
For the year ended 31 March 2025

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
	£	£	2025 £
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.