

Company registration number: 02474506

Charity registration number: 1046081

# Nottingham Mencap

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Community Accounting Plus  
Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

## **Nottingham Mencap**

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## **Nottingham Mencap**

### **Reference and Administrative Details**

<b>Trustees</b>	Lisa Sharples, Chair
	Paul Thomas, Treasurer
	Kate Ball, Vice-Chair
	Matt Sismey
	Jennifer Shenton
	John Winter
	Steven Waddingham
	John Jackson
<b>Secretary</b>	Paul Thomas
<b>Senior Management Team</b>	Mike Caston, Chief Executive
	Danny Hewis, Deputy Chief Executive
<b>Charity Registration Number</b>	1046081
<b>Company Registration Number</b>	02474506
<b>Registered Office</b>	Harpenden House 203 Edwards Lane Edwards Lane Nottingham NG5 3JA
<b>Independent Examiner</b>	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL
<b>Bankers</b>	Lloyds Bank Parliament Street 12-16 Lower Parliament Street Nottingham NG1 3DA

## **Nottingham Mencap**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2022.

#### **Message from the Chair**

A huge thanks to all staff and volunteers as we round off another year. This has been my first year as Chair and I'm delighted to have met some of you as I visited Harpenden House. This year has seen a lot of focus on setting the charity up for the future - strengthening our governance and completing the purchase of our new home in Clarence Street. We've now got plans for the new space and have been successful in raising funds for a gym within the building. Working through the pandemic has been challenging for us all and our staff, volunteers and service users have all shown great resilience during difficult times. We've provided innovative new digital support programmes, introduced an evening social group for young people and continue to provide our essential core services. I'm delighted that we'll begin the new financial year in good shape as we invest in our new home. We'll all miss Harpenden House and we've made some great memories there. Let's take those memories with us as we explore the opportunities that the coming year will bring.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Lisa Sharples, Chair,
	Paul Thomas, Treasurer,
	Kate Ball, Vice-Chair,
	Matt Sismey
	Jennifer Shenton
	John Winter
	Steven Waddingham
	John Jackson
	Pete Boddy, until 1/10/21
	Lucy Greaves, until 1/1/22
	Rebecca Dewey, until 1/6/22
	Isabelle Pike, until 1/8/22

#### **Structure, governance and management**

##### ***Nature of governing document***

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 27/02/1990 and most recently amended 27/06/2013. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

## **Nottingham Mencap**

### **'Trustees' Report**

#### ***Recruitment and appointment of trustees***

The Council of Management is appointed by the charity members and serve for no set period and retire in rotation. The Articles provide for a maximum of sixteen members, including Honorary Members. At the end of each Annual General Meeting all the members of the Council of Management whose period of service is due to end during the calendar year in which that Annual General Meeting is to be held, shall retire from office but they may be re-elected or re-appointed.

The chair of the Council of Management is nominated by the Council of Management and elected by the membership.

The Council of Management may delegate any of its powers or the implementation of its resolutions to committees to facilitate effective operations.

#### ***Induction and training of trustees***

New members of the Council of Management should undergo an induction to brief them on their legal responsibilities under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, and recent financial performance of the charity. During the induction they meet key employees and other members of the Council of Management. Members are encouraged to undertake appropriate training where these will facilitate the undertaking of their role and improve the governance of the Charity.

#### ***Organisational structure***

The Council of Management holds at least four quarterly ordinary meetings each year at which its members agree strategy and areas of activity for the charity including consideration of service delivery, investment, reserves and risk management policies.

The charity Trustees work in partnership with and oversee the work of the Chief Executive Officer and the Deputy CEO who are responsible for ensuring that the charity performs as directed by the Trustees. At the beginning of the year, we employed 2 full time staff and 23 part time staff equating to 12 fte. At the end of the year, we employed 3 full time and 16 part time staff equating to 11.4 fte. In addition, 44 Zero-Hours contract workers were employed throughout the year working 14,523 hrs in the community or in people's homes equating to an additional 8.5 fte workers. During this year we had the benefit of LSC tutors paid by Inspire who therefore do not appear in our staff numbers. The charity is grateful for the unstinting efforts of the 21 active volunteers who are involved in all aspects of Nottingham Mencap, adding greatly to the work that the charity can do.

## **Nottingham Mencap**

### **Trustees' Report**

#### **Objectives and activities**

##### ***Objects and aims***

Nottingham Mencap aims to enhance the quality of life of all those with a learning disability and their carers' within the Greater Nottingham area. The Charity is committed to delivering comprehensive and person-centred support and to improving choice and inclusion into our communities.

We will achieve this by working collaboratively and in partnership with others to provide information and advice, services and support, campaigns, friendship and fun.

In order to meet the objectives we:

- Work strategically, complementarily, and collaboratively or with others rather than independently and alone, in order to best achieve our mission.
- Leverage the strengths of Royal Mencap and our local history, utilising their expertise, networks, and opportunities.
- Develop a focused range of high-quality sustainable services that capitalise on our strengths and make a significant impact on the quality of life for individuals with a learning disability and their families.
- Build public awareness about Nottingham Mencap and the services, products, campaigns, and involvement opportunities that we provide and increase peoples' use of all that we offer. Ensure we expand our membership and strengthen our Council of Management.
- Develop and pursue a balanced long-term income and fundraising strategy that supports the sustainable growth and independence of Nottingham Mencap.
- Continue to develop organisational effectiveness, quality, efficiency, culture, capacity and competitiveness, and the skill and capability of its staff and volunteers.
- Retain a flexible approach, with a continuous improvement and learning culture, so that Nottingham Mencap can adapt and respond successfully to a constantly changing external environment and to new opportunities.
- Ensure we run our services from buildings that are fit for purpose and sufficiently adaptable to allow us to meet our future need.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **Nottingham Mencap**

### **Trustees' Report**

#### **Achievements and performance**

This has been a very satisfying year for the charity. We have finally found and purchased a new building and have begun the process of making it fit for purpose. This ends our 5-year search for a suitable property and enables us to plan ahead with greater certainty.

Financially, we have matched last year's excellent performance, achieving an operating surplus of £169,561 from increased activity, fundraising particularly for the purchase of 1a & 3 Clarence Street and sound financial management. The surplus has continued to boost our reserves and has enabled us to 'designate' sufficient surplus funds for the much-anticipated refurbishment of our new property in the coming year. Although our cash reserves are now much lower due to the purchase of our new home, we have the security of the building as a significant capital asset to help safeguard the future of the charity.

Throughout the year our services have continued to grow with high demand for the support of children and young people through our 'Short Breaks' service. M8's has been particularly popular attracting many new referrals, leading to a waiting list despite an increase in the number of places offered. The cost of these sessions has been held at the discounted price thanks to the final year of funding from Children in Need. We have commenced a heavily discounted Friday evening social group for young people to ease pressure on the weekend groups following feedback from parents, children, and commissioners.

Throughout the year we have seen a number of new referrals for our day services. The average age of attendees has reduced significantly with many new younger referrals and some young people transitioning from our weekend groups. The appointment of our Deputy CEO, has made a large impact on our ability to run and grow our services and has given solid support to our CEO whilst we juggle with running our services as we come out of the pandemic and plan for our future in our new building.

We are seeking to ensure that we can help those who need our support more than ever, in new, and innovative ways. Covid-19 helped accelerate our thinking around what future day services and group activities will look like as we transition to Clarence Street, a move which will open up new opportunities.

Our Council of Management (CoM) remains strong. We continue to possess an excellent balance of skills, knowledge, and experience across the body of trustees enabling sound oversight of the management of the charity. The CoM and the staff group remain cohesive and mutually supportive. Working together we continue to improve areas of governance including updating our financial processes. As anticipated, it was good to welcome back Kate Ball as Vice Chair, although we were sad to lose Lucy Greaves due to competing work pressures. John Winter and Jennifer Shenton, two of our longest serving Trustees have announced their intention to resign at the coming AGM and we place on record our thanks to them for their many years of support and guidance.

In July 2022 Gettaway established itself as a separate Charity with the 2 Gettaway Trustees (Isobelle Pike and Rebecca Dewey) resigning from our Council of Management. We look forward to its continued success as it re-establishes itself in a new venue. We would like to record our thanks to them and the whole of the Gettaway management Committee who have made Gettaway such an enduring success.

Throughout 2021-22 The CoM continued to review the progress in our search for new premises and have developed a coherent structure and rhythm for future meetings. We have approved a balanced annual budget for 2022-23. Ellis Whittam (now 'Worknest') remain our independent nominated Health and Safety representatives and employment law consultants. RSH Construction Ltd continue to provide support on the management, design and build of our new premises.

## Nottingham Mencap

### Trustees' Report

#### Plans for future periods

##### *Aims and key objectives for future periods*

Overall, we plan to deliver growth in services that help improve the health, wellbeing, independence, and quality of life for individuals with a learning disability/autism along with their families across Nottinghamshire. We will pursue the key strategies contained on page 3 of this report.

Securing new premises took much longer than we had hoped, and this has caused many frustrations. We are now redesigning our new building to ensure it will meet our future needs. A particular focus is ensuring accessibility and opening up the building to utilise its full potential. We need to maintain a solid grasp of the financial costs associated with the move to ensure we maintain the future stability of our charity.

We will change the delivery model of many of our services and adapt our approaches to ensure we can continue to provide accessible support. The coming financial year will prove pivotal for the charity as we move across to Clarence Street and finally leave Harpenden House, our home for nearly 70 years. We hope to be settled in Clarence Street by the end of 2022 with all the opportunities that this will bring.

With a solid financial position, plans well under way for structural changes to our new building and a stable management structure we have the building blocks for a successful future. The hard work and dedication of our staff during these times of great change has enabled us to look ahead with optimism. These are uncertain and challenging economic times during which we aim to increase our resilience and deliver better services.

During the next five years we will rigorously monitor our financial position and the outlook. We will be proactive and responsive to ensure we remain solvent and able to address emerging threats and opportunities. We aim to secure more diverse sources of income to enable us to support more individuals who are not in receipt of funding.

A key objective for the next two years is to find new ways of recruiting a larger workforce for our Short Breaks Service. We have trialed different contracts, improved terms and conditions but are still finding difficulty in recruiting enough new staff to meet increased demand.

Changes to our services will be made in consultation with our service users/students and their families who will also have a large input into our plans and the use of our new building as we evolve. By 2024 we aim to have incrementally grown our 'day opportunities' and our Short Breaks Service and found sustainable sources of alternative funding for our campaigning work and IT accessibility roles.

We will seek funding to commence new services and trial new ways of working to ensure we continually improve the standard and choice. By continuing to listen to service users, their families, and our staff we try to improve what we do well, change what we do badly and learn from our mistakes.

We aim to strengthen our trustee team with some of our longest standing trustees deciding to retire at the end of this period. We aim to embark on a targeted recruitment drive for trustees with specific skills who can help steer the charity through the next exciting phase of our development.



## **Nottingham Mencap**

### **Trustees' Report**

#### **Financial review**

The trustees have forecast the level of free liquid reserves (excluding designated, restricted funds and assets) the charitable company will require to sustain its operations in the event of curtailment or reduction of income streams. The trustees consider the most appropriate level of free liquid reserves on 31 March 2022 to be 6 months operating costs. The actual free reserves (excluding designated, restricted funds and assets) on 31 March 2022 were 416,912 (£272,217 in 2021) which the trustees regard as satisfactory. However, whilst the current level of liquid reserves may prove sufficient, it is the trustees view that it is prudent to ensure there are sufficient liquid reserves to provide financial flexibility. Funds from the sale of Centre House placed in our 'designated Building Fund' plus additional designated funds have been supplemented this year through further fundraising. A proportion of these funds were used to facilitate the purchase of 1a & 3 Clarence Street, with the remainder designated for its refurbishment.

#### ***Policy on reserves***

To ensure that all reserves accumulated will be used to meet the following objectives:

- To resource the central core functions of the organisation. This includes management, administration and building running costs;
- To assist in piloting new and innovative areas of work that will not attract main stream funding and support current services that suffer loss or reduced income streams;
- Provision of public benefit.

The Reserves Policy is to be reviewed during the next period to ensure it meets our needs going forward.

#### ***Principal risks and uncertainties***

##### ***Risk management and internal controls***

As members of the Council of Management we have an overall responsibility for ensuring that the charity has appropriate system of controls, financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the charity or for publication is reliable;
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. They include:

- the development of a strategic plan and an annual budget approved by Trustees;
- regular consideration by the Trustees of the financial results, variance from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of authority and segregation of duties;
- identification and management of risks and external scrutiny.

## Nottingham Mencap

### Trustees' Report

#### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Nottingham Mencap for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

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

#### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 19 September 2022 and signed on its behalf by:



.....  
Lisa Sharples  
Trustee

## Nottingham Mencap

### Independent Examiner's Report to the trustees of Nottingham Mencap

#### Independent examiner's report to the trustees of Nottingham Mencap ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2022.

#### Responsibilities and basis of report

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

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

#### Independent examiner's statement

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

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

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

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



John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus  
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West  
41 Talbot Street  
Nottingham  
NG1 5GL

Date: 6/12/22

## Nottingham Mencap

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	2	91,038	-	91,038	120,401
Charitable activities	3	562,327	90,856	653,183	500,092
Investment income	5	3,115	-	3,115	6,964
Total Income		<u>656,480</u>	<u>90,856</u>	<u>747,336</u>	<u>627,457</u>
<b>Expenditure on:</b>					
Charitable activities	6	<u>(524,317)</u>	<u>(53,458)</u>	<u>(577,775)</u>	<u>(556,005)</u>
Total Expenditure		<u>(524,317)</u>	<u>(53,458)</u>	<u>(577,775)</u>	<u>(556,005)</u>
Net income		132,163	37,398	169,561	71,452
Transfers between funds		<u>85,560</u>	<u>(85,560)</u>	<u>-</u>	<u>-</u>
Net movement in funds		217,723	(48,162)	169,561	71,452
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>976,294</u>	<u>53,162</u>	<u>1,029,456</u>	<u>958,004</u>
Total funds carried forward	14	<u>1,194,017</u>	<u>5,000</u>	<u>1,199,017</u>	<u>1,029,456</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 14.

The notes on pages 15 to 26 form an integral part of these financial statements.

## Nottingham Mencap

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	120,401	-	120,401
Charitable activities	3	463,333	36,759	500,092
Investment income	5	6,964	-	6,964
Total income		<u>590,698</u>	<u>36,759</u>	<u>627,457</u>
<b>Expenditure on:</b>				
Charitable activities	6	<u>(522,081)</u>	<u>(33,924)</u>	<u>(556,005)</u>
Total expenditure		<u>(522,081)</u>	<u>(33,924)</u>	<u>(556,005)</u>
Net income		<u>68,617</u>	<u>2,835</u>	<u>71,452</u>
Net movement in funds		68,617	2,835	71,452
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>907,677</u>	<u>50,327</u>	<u>958,004</u>
Total funds carried forward	14	<u>976,294</u>	<u>53,162</u>	<u>1,029,456</u>

The notes on pages 15 to 26 form an integral part of these financial statements.

**Nottingham Mencap**  
**(Registration number: 02474506)**  
**Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	9	512,356	8,479
<b>Current assets</b>			
Debtors	10	33,062	19,729
Cash at bank and in hand	11	<u>682,595</u>	<u>1,026,021</u>
		715,657	1,045,750
<b>Creditors: Amounts falling due within one year</b>	12	<u>(28,996)</u>	<u>(24,773)</u>
<b>Net current assets</b>		<u>686,661</u>	<u>1,020,977</u>
<b>Net assets</b>		<u><u>1,199,017</u></u>	<u><u>1,029,456</u></u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds	14	5,000	53,162
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,194,017</u>	<u>976,294</u>
<b>Total funds</b>	14	<u><u>1,199,017</u></u>	<u><u>1,029,456</u></u>

For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

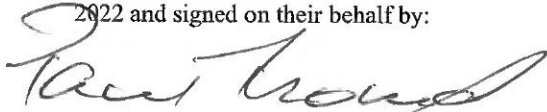
These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 15 to 26 form an integral part of these financial statements.

**Nottingham Mencap**

**(Registration number: 02474506)**  
**Balance Sheet as at 31 March 2022**

The financial statements on pages 10 to 26 were approved by the trustees, and authorised for issue on 19 September 2022 and signed on their behalf by:



.....  
Paul Thomas

Company Secretary and Trustee

The notes on pages 15 to 26 form an integral part of these financial statements.

## Nottingham Mencap

### Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income		169,561	71,452
<b>Fixed assets</b>			
Depreciation		20,582	4,291
Investment income	5	<u>(3,115)</u>	<u>(6,964)</u>
		187,028	68,779
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	10	(13,333)	9,250
Increase/(decrease) in creditors	12	<u>4,223</u>	<u>(11,872)</u>
Net cash flows from operating activities		<u>177,918</u>	<u>66,157</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	3,115	6,964
Purchase of tangible fixed assets	9	(524,459)	(11,869)
Sale of tangible fixed assets		<u>-</u>	<u>8,364</u>
Net cash flows from investing activities		<u>(521,344)</u>	<u>3,459</u>
Net (decrease)/increase in cash and cash equivalents		(343,426)	69,616
Cash and cash equivalents at 1 April		<u>1,026,021</u>	<u>956,405</u>
Cash and cash equivalents at 31 March		<u><u>682,595</u></u>	<u><u>1,026,021</u></u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
(Decrease)/increase in cash		(343,426)	69,616
Net funds at 1 April 2021		<u>1,026,021</u>	<u>956,405</u>
Net funds at 31 March 2022		<u><u>682,595</u></u>	<u><u>1,026,021</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 26 form an integral part of these financial statements.



## **Nottingham Mencap**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Nottingham 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 notes.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

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 charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

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

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Charitable activities**

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

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **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.

#### **Tangible fixed assets**

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

##### **Asset class**

Freehold land & buildings

Leasehold land & buildings

##### **Depreciation method and rate**

50 years straight line

straight line over the life of the lease

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

Furniture & equipment	20% straight line
Computer equipment	33% straight line

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. Pension costs charges in the Statement of Financial Activities represent the contributions payable by the charity during the year.

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations from individuals	4,054	4,054	8,358
Legacies	56,736	56,736	-
Grants, including capital grants;			
Government grants	30,248	30,248	109,343
Grants from other charities	-	-	2,700
	<u>91,038</u>	<u>91,038</u>	<u>120,401</u>

#### 3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £
Fees	562,325	-	562,325
Grants & donations	-	90,856	90,856
Sundry income	2	-	2
	<u>562,327</u>	<u>90,856</u>	<u>653,183</u>

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Fees	462,306	-	462,306
Grants & donations	-	36,759	36,759
Sundry income	1,027	-	1,027
	<u>463,333</u>	<u>36,759</u>	<u>500,092</u>

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
BBC Children in Need	-	58,599	58,599
Notts Police & Crime Commissioner	-	10,350	10,350
Good Things Foundation	-	13,000	13,000
The Jessie Spencer Trust	-	5,000	5,000
Legacy	56,736	-	56,736
Nottingham City Council	30,248	-	30,248
Let's Get Digital	-	2,975	2,975
Sundry donations	4,054	932	4,986
	<u>91,038</u>	<u>90,856</u>	<u>181,894</u>

#### 5 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>3,115</u>	<u>3,115</u>	<u>6,964</u>

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 6 Expenditure on charitable activities

	Unrestricted funds		Restricted funds	Total 2022	Total 2021
	Designated £	General £	£	£	£
Activities & materials	-	9,037	-	9,037	2,617
Bank charges	-	585	-	585	684
Catering	-	5,274	-	5,274	1,466
Cleaning & hygiene	-	3,958	-	3,958	3,029
Communications	-	22,840	740	23,580	5,718
Depreciation	-	20,582	-	20,582	4,291
Equipment	-	1,275	2,284	3,559	1,239
Getaway expenses	100	-	-	100	761
Insurance	-	2,735	2,480	5,215	4,447
Legal & professional fees	-	9,114	-	9,114	26,120
Sundry expenses	-	4,682	-	4,682	1,378
Printing & copying	-	-	-	-	215
Repairs & maintenance	-	1,003	-	1,003	5,239
Staff training	-	7,240	-	7,240	1,619
Staff travel	-	758	-	758	319
Stationery & office supplies	-	810	-	810	2,342
Subscriptions & licenses	-	-	-	-	658
Utilities	-	15,523	-	15,523	9,808
Wages, NIC & pensions	-	418,801	47,954	466,755	484,055
	<u>100</u>	<u>524,217</u>	<u>53,458</u>	<u>577,775</u>	<u>556,005</u>

#### 7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	<u>20,582</u>	<u>4,291</u>

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 8 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	434,239	441,364
Social security costs	17,973	25,955
Pension costs	14,543	16,736
	<u>466,755</u>	<u>484,055</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2022 No	2021 No
Number of employees (including those on zero hours contracts)	<u>46</u>	<u>42</u>

16 (2021 - 16) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £14,543 (2021 - £16,736).

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2021 - £26,087).

During the previous period, as a direct consequence of the Coronavirus outbreak, 7 posts were made redundant.

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £80,079 (2021 - £73,560).

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 9 Tangible fixed assets

	Freehold & Leasehold land & buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2021	40,101	35,388	15,061	90,550
Additions	493,186	29,973	1,300	524,459
At 31 March 2022	533,287	65,361	16,361	615,009
<b>Depreciation</b>				
At 1 April 2021	40,101	34,501	7,469	82,071
Charge for the year	9,864	6,359	4,359	20,582
At 31 March 2022	49,965	40,860	11,828	102,653
<b>Net book value</b>				
At 31 March 2022	483,322	24,501	4,533	512,356
At 31 March 2021	-	887	7,592	8,479

#### 10 Debtors

	2022 £	2021 £
Trade debtors	28,579	17,335
Prepayments	4,483	2,139
Other debtors	-	255
	33,062	19,729

#### 11 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	373	323
Cash at bank	682,222	1,025,698
	682,595	1,026,021



## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,500	1,239
Other taxation and social security	2,031	6,616
Other creditors	24,465	16,918
	<u>28,996</u>	<u>24,773</u>

#### 13 Charity status

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

#### 14 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	303,818	656,480	(524,217)	495,309	931,390
<i>Designated</i>					
Gettaway Club	13,769	-	(100)	(2,122)	11,547
Building fund	658,707	-	-	(407,627)	251,080
	<u>672,476</u>	<u>-</u>	<u>(100)</u>	<u>(409,749)</u>	<u>262,627</u>
<b>Total unrestricted funds</b>	<u>976,294</u>	<u>656,480</u>	<u>(524,317)</u>	<u>85,560</u>	<u>1,194,017</u>
<b>Restricted funds</b>					
Smile Stop Hate Crime	3,983	10,350	(14,333)	-	-
Gener8	5,000	5,000	(5,000)	-	5,000
M8's	2,900	9,999	(12,899)	-	-
Building fund R	41,279	49,045	(4,764)	(85,560)	-
Digital inclusion	-	16,462	(16,462)	-	-
	<u>53,162</u>	<u>90,856</u>	<u>(53,458)</u>	<u>(85,560)</u>	<u>5,000</u>
<b>Total restricted funds</b>	<u>53,162</u>	<u>90,856</u>	<u>(53,458)</u>	<u>(85,560)</u>	<u>5,000</u>
<b>Total funds</b>	<u>1,029,456</u>	<u>747,336</u>	<u>(577,775)</u>	<u>-</u>	<u>1,199,017</u>

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	322,423	590,698	(521,320)	(87,983)	303,818
<i>Designated</i>					
Gettaway Club	15,808	-	(761)	(1,278)	13,769
Building fund	569,446	-	-	89,261	658,707
	<u>585,254</u>	<u>-</u>	<u>(761)</u>	<u>87,983</u>	<u>672,476</u>
<b>Total unrestricted funds</b>	<u>907,677</u>	<u>590,698</u>	<u>(522,081)</u>	<u>-</u>	<u>976,294</u>
<b>Restricted</b>					
Smile Stop Hate Crime	4,048	18,860	(18,925)	-	3,983
Gener8	5,000	5,000	(5,000)	-	5,000
M8's	-	12,899	(9,999)	-	2,900
Building fund R	<u>41,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,279</u>
<b>Total restricted funds</b>	<u>50,327</u>	<u>36,759</u>	<u>(33,924)</u>	<u>-</u>	<u>53,162</u>
<b>Total funds</b>	<u>958,004</u>	<u>627,457</u>	<u>(556,005)</u>	<u>-</u>	<u>1,029,456</u>

The specific purposes for which the funds are to be applied are as follows:

The Gettaway Club Fund. Gettaway's funds are raised through member subscriptions and donations to enable the Volunteer led club to offer leisure opportunities for individuals with a learning disability.

A designated 'New Building Fund' was created from the sale of 'Centre House' in 2015 to secure and protect the necessary capital to deliver our objective of consolidating our services within a fit for purpose building on a single site. A building was purchased in 2021 and refurbishment works continue.

Donations specifically for the building fund were added to the restricted Building Fund.

The Smile Stop Hate Crime Project is funded by Nottingham City Council and the Police and Crime Commissioner to tackle and raise awareness of Learning Disability Hate Crime. The project works in partnership with Nottinghamshire police and the community to raise awareness of hate crime against people with learning disabilities and promotes the reporting of disability hate crime. The project promotes anti-bullying awareness in schools and day centres. It delivers training, and facilitates groups to take a more proactive role against Hate Crime. (Incorporates Safe Places).

The Gener8 fund supports those transitioning to adulthood to gain the necessary practical and social skills to become more independent in all aspects of their lives.

M8's is a Saturday club for young people. The balance at 31/3/22 is to fund a summer trip in July 2022.

Digital inclusion promotes the use of IT by our members.

## Nottingham Mencap

### Notes to the Financial Statements for the Year Ended 31 March 2022

The transfer from the Building funds to the General fund represents the net book value of fixed assets, the use of which is not subject to any restriction.

The transfer to the General fund from the Gettaway fund is to bring the fund into line with the bank balance held in the Gettaway account.

The transfers to the designated Building fund represent funds no longer restricted, but designated for the refurbishment of the new building.

#### 15 Analysis of net assets between funds

	Unrestricted			2022
	General £	Designated £	Restricted £	Total funds £
Tangible fixed assets	512,356	-	-	512,356
Current assets	448,030	262,627	5,000	715,657
Current liabilities	(28,996)	-	-	(28,996)
Total net assets	<u>931,390</u>	<u>262,627</u>	<u>5,000</u>	<u>1,199,017</u>

	Unrestricted			2021
	General £	Designated £	Restricted £	Total funds £
Tangible fixed assets	8,479	-	-	8,479
Current assets	320,112	672,476	53,162	1,045,750
Current liabilities	(24,773)	-	-	(24,773)
Total net assets	<u>303,818</u>	<u>672,476</u>	<u>53,162</u>	<u>1,029,456</u>

#### 16 Benefits in kind

The charity owns the premises Harpenden House. The grounds upon which it is sited are subject to a lease from the Nottingham City Hospital NHS Trust at a peppercorn rent.

#### 17 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2022 £	2021 £
Independent examination	1,700	1,650
Other financial services	-	156
	<u>1,700</u>	<u>1,806</u>

## **Nottingham Mencap**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **18 Related party transactions**

There were no related party transactions in the year.

#### **19 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

#### **20 Trustees remuneration and expenses**

During the year the charity made the following transactions with trustees:

##### **Isobel Pike**

Isobel Pike received remuneration of £1,168 (2021: £984) during the year.