

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 2023

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

Trustees	Lisa Sharples, Chair Paul Thomas, Treasurer Kate Ball, Vice-Chair Matt Sismey
Secretary	Paul Thomas, Treasurer
Senior Management Team	Mike Caston, Chief Executive Danny Hewis, Deputy Chief Executive
Charity Registration Number	1046081
Company Registration Number	02474506
Registered Office	Harpenden House 203 Edwards Lane Edwards Lane Nottingham NG5 3JA
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL
Bankers	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 2023.

Message from the Chair

The continued commitment of our fantastic staff and volunteers is the foundation for another successful year at Nottingham Mencap.

We've had some big changes in our group of trustees, with Jenny and John both retiring from the Council of Management after giving their time and energy over many years. I'd like to thank them for their dedication and wise counsel and wish them both the very best for the future. We've also supported the Gettaway club to successfully launch as an independent charity after lots of hard work from our trustees Rebecca and Izzy who have now left us to continue their work with the club under its new governance. We hope that Gettaway continues to flourish and thank the team for all they did as part of Nottingham Mencap. Finally, we're heartbroken to have lost Steve, who served as a trustee of Nottingham Mencap to the end of his life, always with great thought and care. We offer sincere condolences to his loved ones and our enduring thanks for everything he did for our charity.

Our remaining trustees will welcome new members to the council of management for the coming year following a successful period of recruitment and we look forward to working with them to take forward our plans. The executive team have worked extremely hard to fundraise for our new home and to grow our services over the year. Building work is well underway and I was delighted to see that the signage on the new building was designed by our service users. Updates on the project and the successful fundraising are included in the report. Our services continue to evolve at Harpenden House and staff and volunteers have been brilliant throughout the uncertainties of the building schedule as we prepare for the future alongside the challenges and complexities of the present. As ever, our service users bring great joy, energy, and creativity - their shared decoration of Harpenden House is a sight to behold and a fitting demonstration of the affection that we feel for our longtime home.

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 (resigned 30 September 2022)

John Winter (resigned 30 September 2022)

Steven Waddingham (resigned 31 August 2023)

Rebecca Dewey (resigned 1 June 2022)

Isobel Pike (resigned 1 August 2022)

Nottingham Mencap

Trustees' Report

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.

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 (CEO) and the Deputy Chief Executive Officer who are responsible for ensuring that the charity performs as directed by the Trustees. At the beginning of the year, we employed 3 full-time staff and 16 part-time staff equating to 11.4 full time equivalent (fte) staff. At the end of the year, we employed 4 full-time and 17 part-time staff equating to 12.5 fte staff. In addition, 59 zero-hours contract workers were employed throughout the year working 17,000 hrs. in the community or in people's homes equating to an additional 10 fte workers. During this year we also had the benefit of LSC tutors paid by Inspire, who do not appear in our staff numbers. We are also an accredited training provider for health and social care students undertaking placements throughout their training. These students contribute greatly to the support we provide whilst gaining experience, knowledge, and supervision throughout their time with us. The charity is grateful for the unstinting efforts of the 20 active volunteers who are involved in all aspects of Nottingham Mencap, adding greatly to the work that the charity does.

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.

Nottingham Mencap

Trustees' Report

Activity during the period

Our charity is looking forward to the coming year with optimism, with a move to our new building planned for November 2023.

Building work commenced on our new building in January 2023. Building contractors are working hard to ensure our new property is a fit for purpose, welcoming and accessible building.

Despite the tough economic outlook, we have continued our strong financial performance across all areas of the charity. Of note was a successful capital bid to the Youth Investment Fund (YIF) which resulted in the staged award of nearly £400,000 (across 2023-24) to help towards the extensive building work needed for us to offer enhanced services for children and young people across Nottinghamshire.

As a result of increased activity, significant fundraising success and tight control of expenditure income increased to £906,695 with expenditure of £715,908. This leaves a surplus of £187,525 to be reinvested in the charity for the completion of the work to Clarence Street and additional staff to continue our expansion.

Throughout the year we have seen an increase in new referrals for our day-services. The average age of attendees continues to reduce and those referred are living with more complex physical and communication challenges. As a result, we have employed more tutors and support workers to ensure we provide a high level of support and personalised care.

The uptake for Short Breaks has remained fairly static but is growing slowly. M8's and Gener8 remain popular. The Friday Group (L8's) did not attract the numbers of children and young people we anticipated. The costs of these sessions were held at heavily discounted price thanks to the final year of funding from Children in Need and funding from Royal Mencap.

Nottingham Mencap

Trustees' Report

As the commissioned provider of 'Accessible IT' on behalf of Nottinghamshire County we have supported over 150 individuals to access technology to improve their connection with their local communities and increase their independence. This has resulted in an extension of the contract for a further year. We continue to 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 offer new opportunities.

We have strengthened our management structure with Susan Vogel promoted to Service Manager, supporting the Deputy CEO in the day to day running of our services. We have also strengthened our administrative capacity with 2 new part-time administrators with specific skills to enhance our move away from paper records and increase our social media profile. The CEO has spent a greater proportion of his time at our new base, ensuring the complex building works run smoothly and remain affordable. The Deputy CEO and our new Service Manager have taken on the responsibility of services at Harpenden with the Senior Management Team meeting regularly to ensure effective communication.

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 policies and procedures. As anticipated, it was good to welcome back Kate Ball as Vice Chair, who meets with our Senior Team to review and update our policies. 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.

Throughout 2022-23 The CoM continued to review the progress with our new premises, holding an extra-ordinary meeting to consider the implications of the YIF grant. We have approved a balanced annual budget for 2023-24. Throughout the period Ellis Whittam (now 'Worknest'), have been our independent nominated Health and Safety representatives and employment law consultants. RSH Construction Ltd continue to provide support to the CEO on the management, design and building of our new premises.

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 made Gettaway such an enduring success.

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

Plans for future periods

Aims and key objectives for future periods

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

Securing new premises took much longer than we had hoped, and this has caused many frustrations. The refurbishment of the building has also been more complex and costly than originally planned. However, the work undertaken has improved our plans and will ensure the building will serve us well for the future. A particular focus is ensuring accessibility and opening up the building to utilise its full potential. The work will be completed within the next 6 months, and we will maintain a solid grasp of the financial costs associated with the move to ensure we maintain the future stability of our charity. We will be settled in Clarence Street by the end of 2023 with all the opportunities that this will bring.

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. Changes to our services will be made in consultation with our service users/students, their families, and by the and our staff. From September 2023 we will have a Staff Representative in attendance at our Council of Management and new trustees bringing new areas of expertise to the charity to replace our longest standing trustees who have now retired. By the end of 2023 we will have functioning 'service user forums' to provide valuable new ideas and feedback to the senior team and trustees.

With a solid financial position, the building work progressing 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 enables 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. We aim to invest in our staff's training, supervision and support and ensure we have a professional, reliable workforce. We will attempt to remain a 'living wage' employer and provide a safe and supportive work environment, with Nottingham Mencap being a place where skilled and experienced individuals choose to work.

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. By 2025 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 role.

We will continue to merge our services to create a more holistic offer and move away from the concept of traditional daycare. Our services for young people and children will expand by over 100% by January 2025 by the provision of evening and weekday opportunities so that more families can benefit from support and respite.

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.

Our current Chief Executive plans to leave in the summer of 2024. We will ensure there is a smooth management transition providing continuity and opportunities to strengthen our management team.

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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 2023 to be 6 months operating costs. The actual free reserves (excluding designated, restricted funds and assets) on 31 March 2023 were £517,509 (£419,034 in 2022) 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' were used to facilitate the purchase of 1a & 3 Clarence Street.

Additional designated funds have been supplemented this year through further fundraising.

The staged grant from the Youth Investment Fund has enabled us to ensure the new building is more accessible and more suited to our longer-term needs, whilst remaining affordable. Given the onerous obligations contained within the contract with the YIF our trustees have concluded it is preferable to maintain a higher level of reserve than previously to mitigate against any possible claw-back of funds in the event of an early sale of Clarence Street.

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.

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Trustees' Report

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.

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Trustees' Report

Statement of 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 07/11/2023 and signed on its behalf by:



.....
Lisa Sharples
Trustee

Nottingham Mencap

Independent Examiner's Report to the trustees of Nottingham Mencap ('the Company')

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 2023.

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.

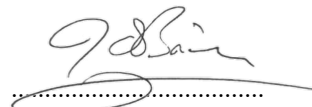
Independent examiner's statement

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, FAIA, 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: 08/11/2023

Nottingham Mencap

Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Income and Endowments from:					
Donations and legacies	2	34,921	-	34,921	91,038
Charitable activities	3	672,797	187,600	860,397	653,183
Investment income	5	6,898	-	6,898	3,115
Total Income		<u>714,616</u>	<u>187,600</u>	<u>902,216</u>	<u>747,336</u>
Expenditure on:					
Charitable activities	6	<u>(648,766)</u>	<u>(77,000)</u>	<u>(725,766)</u>	<u>(577,775)</u>
Total Expenditure		<u>(648,766)</u>	<u>(77,000)</u>	<u>(725,766)</u>	<u>(577,775)</u>
Net income		<u>65,850</u>	<u>110,600</u>	<u>176,450</u>	<u>169,561</u>
Net movement in funds		65,850	110,600	176,450	169,561
Reconciliation of funds					
Total funds brought forward		<u>1,194,017</u>	<u>5,000</u>	<u>1,199,017</u>	<u>1,029,456</u>
Total funds carried forward	14	<u><u>1,259,867</u></u>	<u><u>115,600</u></u>	<u><u>1,375,467</u></u>	<u><u>1,199,017</u></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 16 to 27 form an integral part of these financial statements.

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Statement of Financial Activities for the Year Ended 31 March 2023 (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 2022 £
Income and Endowments from:				
Donations and legacies	2	91,038	-	91,038
Charitable activities	3	562,327	90,856	653,183
Investment income	5	3,115	-	3,115
Total income		<u>656,480</u>	<u>90,856</u>	<u>747,336</u>
Expenditure on:				
Charitable activities	6	<u>(524,317)</u>	<u>(53,458)</u>	<u>(577,775)</u>
Total expenditure		<u>(524,317)</u>	<u>(53,458)</u>	<u>(577,775)</u>
Net income		132,163	37,398	169,561
Transfers between funds		<u>85,560</u>	<u>(85,560)</u>	<u>-</u>
Net movement in funds		217,723	(48,162)	169,561
Reconciliation of funds				
Total funds brought forward		<u>976,294</u>	<u>53,162</u>	<u>1,029,456</u>
Total funds carried forward	14	<u><u>1,194,017</u></u>	<u><u>5,000</u></u>	<u><u>1,199,017</u></u>

The notes on pages 16 to 27 form an integral part of these financial statements.

Nottingham Mencap

(Registration number: 02474506)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	9	597,849	512,356
Current assets			
Debtors	10	32,179	33,062
Cash at bank and in hand	11	<u>845,853</u>	<u>682,595</u>
		878,032	715,657
Creditors: Amounts falling due within one year	12	<u>(100,414)</u>	<u>(28,996)</u>
Net current assets		<u>777,618</u>	<u>686,661</u>
Net assets		<u>1,375,467</u>	<u>1,199,017</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	14	115,600	5,000
Unrestricted income funds			
Unrestricted funds		<u>1,259,867</u>	<u>1,194,017</u>
Total funds	14	<u>1,375,467</u>	<u>1,199,017</u>

For the financial year ending 31 March 2023 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 financial statements on pages 12 to 27 were approved by the trustees, and authorised for issue on 07/11/2023 and signed on their behalf by:

.....
Lisa Sharples
Trustee

The notes on pages 16 to 27 form an integral part of these financial statements.

Nottingham Mencap

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		176,450	169,561
Fixed assets			
Depreciation		22,856	20,582
Investment income	5	<u>(6,898)</u>	<u>(3,115)</u>
		192,408	187,028
Working capital adjustments			
Decrease/(increase) in debtors	10	883	(13,333)
Increase in creditors	12	<u>71,418</u>	<u>4,223</u>
Net cash flows from operating activities		<u>264,709</u>	<u>177,918</u>
Cash flows from investing activities			
Interest receivable and similar income	5	6,898	3,115
Purchase of tangible fixed assets	9	<u>(108,349)</u>	<u>(524,459)</u>
Net cash flows from investing activities		<u>(101,451)</u>	<u>(521,344)</u>
Net increase/(decrease) in cash and cash equivalents		163,258	(343,426)
Cash and cash equivalents at 1 April		<u>682,595</u>	<u>1,026,021</u>
Cash and cash equivalents at 31 March		<u><u>845,853</u></u>	<u><u>682,595</u></u>
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash		163,258	(343,426)
Net funds at 1 April 2022		<u>682,595</u>	<u>1,026,021</u>
Net funds at 31 March 2023		<u><u>845,853</u></u>	<u><u>682,595</u></u>

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

The notes on pages 16 to 27 form an integral part of these financial statements.

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

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 2023

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.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

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:

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Notes to the Financial Statements for the Year Ended 31 March 2023

Asset class	Depreciation method and rate
Freehold land & buildings	50 years straight line
Leasehold land & buildings	straight line over the life of the lease
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 2023

2 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and legacies;			
Legacies	-	-	56,736
Grants, including capital grants;			
Government grants	-	-	30,248
Grants from other charities	25,296	25,296	-
Other income from donations and legacies	9,625	9,625	4,054
	<u>34,921</u>	<u>34,921</u>	<u>91,038</u>

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Fees	671,105	-	671,105	562,325
Grants & donations	-	187,600	187,600	90,856
Sundry income	1,692	-	1,692	2
	<u>672,797</u>	<u>187,600</u>	<u>860,397</u>	<u>653,183</u>

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Bailey Thomas	20,000	-	20,000
BBC Children in Need	500	9,999	10,499
Boots Charitable Trust	-	10,000	10,000
Healthwatch	-	300	300
Mary Potter	3,045	-	3,045
Nottinghamshire County Council	-	57,000	57,000
Notts Police & Crime Commissioner	-	3,951	3,951
Royal Mencap	750	750	1,500
Sunrisers	1,000	-	1,000
Youth Investment Fund	-	105,600	105,600
Sundry donations	9,626	-	9,626
	<u>34,921</u>	<u>187,600</u>	<u>222,521</u>

5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>6,898</u>	<u>6,898</u>	<u>3,115</u>

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

6 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Activities & materials	9,140	5	9,145	9,037
Bank charges	773	-	773	585
Catering	9,555	-	9,555	5,274
Cleaning & hygiene	7,516	-	7,516	3,958
Communications	2,589	9,771	12,360	23,580
Depreciation	22,856	-	22,856	20,582
Equipment	1,235	50	1,285	3,559
Gettaway expenses	-	-	-	100
Insurance	7,121	-	7,121	5,215
Legal & professional fees	7,944	-	7,944	9,114
Sundry expenses	15,907	158	16,065	4,682
Recruitment	60	-	60	-
Repairs & maintenance	2,845	-	2,845	1,003
Staff training	576	-	576	7,240
Staff travel	801	775	1,576	758
Stationery & office supplies	725	-	725	810
Utilities	28,916	-	28,916	15,523
Wages, NIC & pensions	530,207	66,241	596,448	466,755
	<u>648,766</u>	<u>77,000</u>	<u>725,766</u>	<u>577,775</u>

7 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	<u>22,856</u>	<u>20,582</u>

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

8 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	540,167	434,239
Social security costs	24,925	17,973
Pension costs	31,356	14,543
	<u>596,448</u>	<u>466,755</u>

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

	2023 No	2022 No
Number of employees (including those on zero hours contracts)	<u>66</u>	<u>46</u>

23 (2022 - 16) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £31,356 (2022 - £14,543).

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2022 - £Nil).

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 £91,755 (2022 - £80,079).

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

9 Tangible fixed assets

	Freehold & Leasehold land & buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 April 2022	533,287	65,361	16,361	615,009
Additions	106,571	-	1,778	108,349
At 31 March 2023	<u>639,858</u>	<u>65,361</u>	<u>18,139</u>	<u>723,358</u>
Depreciation				
At 1 April 2022	49,965	40,860	11,828	102,653
Charge for the year	11,995	6,169	4,692	22,856
At 31 March 2023	<u>61,960</u>	<u>47,029</u>	<u>16,520</u>	<u>125,509</u>
Net book value				
At 31 March 2023	<u>577,898</u>	<u>18,332</u>	<u>1,619</u>	<u>597,849</u>
At 31 March 2022	<u>483,322</u>	<u>24,501</u>	<u>4,533</u>	<u>512,356</u>

10 Debtors

	2023 £	2022 £
Trade debtors	26,986	28,579
Prepayments	5,193	4,483
	<u>32,179</u>	<u>33,062</u>

11 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	825	373
Cash at bank	845,028	682,222
	<u>845,853</u>	<u>682,595</u>

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	54,127	2,500
Other taxation and social security	8,626	2,031
Other creditors	37,661	24,465
	<u>100,414</u>	<u>28,996</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 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
<i>General</i>					
General fund	931,390	714,616	(637,219)	106,571	1,115,358
<i>Designated</i>					
Gettaway Club	11,547	-	(11,547)	-	-
Building fund	251,080	-	-	(106,571)	144,509
	<u>262,627</u>	<u>-</u>	<u>(11,547)</u>	<u>(106,571)</u>	<u>144,509</u>
Total unrestricted funds	<u>1,194,017</u>	<u>714,616</u>	<u>(648,766)</u>	<u>-</u>	<u>1,259,867</u>
Restricted funds					
Smile Stop Hate Crime	-	3,951	(3,951)	-	-
Digital inclusion	-	57,300	(57,300)	-	-
Gener8	5,000	750	(5,750)	-	-
M8's	-	9,999	(9,999)	-	-
Building fund R	-	105,600	-	-	105,600
Short Breaks	-	10,000	-	-	10,000
	<u>5,000</u>	<u>187,600</u>	<u>(77,000)</u>	<u>-</u>	<u>115,600</u>
Total restricted funds	<u>5,000</u>	<u>187,600</u>	<u>(77,000)</u>	<u>-</u>	<u>115,600</u>
Total funds	<u>1,199,017</u>	<u>902,216</u>	<u>(725,766)</u>	<u>-</u>	<u>1,375,467</u>

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
<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>
Total unrestricted funds	<u>976,294</u>	<u>656,480</u>	<u>(524,317)</u>	<u>85,560</u>	<u>1,194,017</u>
Restricted					
Smile Stop Hate Crime	3,983	10,350	(14,333)	-	-
Digital inclusion	-	16,462	(16,462)	-	-
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)	-
Total restricted funds	<u>53,162</u>	<u>90,856</u>	<u>(53,458)</u>	<u>(85,560)</u>	<u>5,000</u>
Total funds	<u>1,029,456</u>	<u>747,336</u>	<u>(577,775)</u>	<u>-</u>	<u>1,199,017</u>

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

The Gettaway Club has formally separated from Nottingham Mencap with the funds held transferred to the group. 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.

Digital inclusion promotes the use of IT by our members.

Short Breaks is funding received for members to take short breaks.

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

15 Analysis of net assets between funds

	Unrestricted			2023
	General £	Designated £	Restricted £	Total funds £
Tangible fixed assets	597,849	-	-	597,849
Current assets	617,923	144,509	115,600	878,032
Current liabilities	(100,414)	-	-	(100,414)
Total net assets	<u>1,115,358</u>	<u>144,509</u>	<u>115,600</u>	<u>1,375,467</u>

	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>

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:

	2023 £	2022 £
Independent examination	1,800	1,700
	<u>1,800</u>	<u>1,700</u>

18 Related party transactions

There were no related party transactions in the year.

Nottingham Mencap

Notes to the Financial Statements for the Year Ended 31 March 2023

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 £969 (2022: £1,168) during the year.