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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 2024

Melvin Bailey FCCA DChA
Newstead House
Pelham Road
Nottingham
NG5 1AP

Nottingham Mencap

Reference and Administrative Details

Trustees	Lisa Sharples, Chair
	Kate Ball, Vice-Chair
	Matt Sismey
	Andrew Wilkinson
	Caitlin Skevington
	Nicholas Miller
Senior Management Team	Danny Hewis, Chief Executive
Charity Registration Number	1046081
Company Registration Number	02474506
Registered Office	Harpenden House
	203 Edwards Lane
	Edwards Lane
	Nottingham
	NG5 3JA
Independent Examiner	Melvin Bailey FCCA DChA
	Newstead House
	Pelham Road
	Nottingham
	NG5 1AP
Bankers	Lloyds Bank
	Parliament Street
	12-16 Lower Parliament Street
	Nottingham
	NG1 3DA

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 who are responsible for ensuring that the charity performs as directed by the Trustees. At the beginning of the year, we employed 4 full-time staff and 17 part-time staff equating to 12.5 full time equivalent (fte) staff. At the end of the year, we employed 8 full-time and 22 part-time staff equating to 20 fte staff. In addition, 65 zero-hours contract workers were employed throughout the year working 20,000 hours (17,000 in 2022-3) in the community or in people's homes equating to an additional 12 fte workers. 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 22 active volunteers who are involved in all aspects of Nottingham Mencap, adding greatly to the work that the charity does.

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Trustees' Report

Our Chief Executive for the past 12 years, Mike Caston, announced his intention to retire. He leaves the charity in good health with the successful move to Clarence Street completed, a sound financial position, and a growing number of people accessing our services. We advertised the role nationally and despite strong external competition Danny Hewis, our current Deputy CEO, was appointed by the trustees. Danny is an excellent candidate to replace Mike and is well placed to lead the charity through the next stage of our development. Following a period of handover Mike will retire in July 2024 with Danny formally taking over at that point. The smooth transition and handover period will ensure stability and no loss of organisational memory.

We advertised two 'business support' roles and were able to recruit two very experienced individuals who are making a rapid and positive impact on our ability to get things done in a professional and efficient manner. We now have a full complement of administrative, support staff and a strong management structure. In due course when Danny has settled into his role a decision regarding recruitment to a Deputy post will be made.

This year our day-services provision has expanded. Following a successful tender, we worked closely with Nottinghamshire County who commissioned a new service from us after a previous service failed in Wilford Village. This has proved successful and was much appreciated by the committed group of carers who fought to keep a service based in Rushcliffe. Nottingham Mencap is held in high regard by those who have been affected by the change and by the commissioners who worked alongside us. We have also leased 2 large allotment plots in Wilford Village which is cementing our presence amongst the local community.

We employed a number of high quality support workers from the previous provider to provide continuity of care and have also increased our staffing level at Clarence Street to ensure high levels of support as our numbers increase. Our staff complement has increased by 80% from the previous year. We are mapping what future day and evening services, and group activities will look like as we settle into Clarence Street, a move which has opened up new opportunities.

Our short breaks service and our weekend group provision for children and young people remains vibrant and busy with more individuals accessing the service and utilising more support. Over the past year we have provided 17% more support than the previous year.

We remain the commissioned provider of 'Accessible IT' on behalf of Nottinghamshire County and have supported over 300 individuals to access technology to improve their connection with their local communities and increase their independence.

Our Council of Management (CoM) remains strong. We were fortunate to replace our outgoing Treasurer Paul Thomas with Andrew Wilkinson who has a wealth of Director level experience in the private sector and brings great experience and knowledge to the charity. Whilst remaining a small board 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.

Throughout 2023-4 The CoM continued to review the progress with our new premises. We have approved a balanced annual budget for 2024-25 and instigated a Finance Sub-Group chaired by Andrew.

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

During the next five years we will continue to 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 the end of 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 hope that our new Wilford service becomes an integrated and successful long-term offer for those who chose to access this venue. We will also remain fully engaged with commissioners to ensure we are aware of other opportunities as they arise.

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 the end of 2025 by the provision of evening and weekday opportunities so that more families can benefit from support and respite.

We will continue to 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.

Thank you

Nottingham Mencap is extremely grateful for the vital and welcome support it receives. We would particularly like to thank the following for their major contribution to our work during the year ended 31 March 2024:

Nottingham Mencap members Nottingham Mencap volunteers
Steve Wright and colleagues at Beech Restoration
Leigh Gunnell and colleagues at Trent Electrical
Willowbank Contracts Ltd (Flooring)
Matt and Adam from Fitness Marketplace
Safeguard PHME Ltd
Mike Tuck
Alan Buck at CCE Catering
GB Air Conditioning Services Ltd
Michael Huzzard at MH Roofing Ltd
Community Accounting Plus
J Greenwood
Rothera Family Trust
Youth Investment Fund

This list is in no way exhaustive, and the Society is also extremely grateful for the support of numerous individuals and many other donations and contributions of support received during this period.

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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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Independent Auditor's Report to the Members of Nottingham Mencap

Opinion

We have audited the financial statements of Nottingham Mencap (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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Independent Auditor's Report to the Members of Nottingham Mencap

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- Understanding the design of the charity's remuneration policies

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

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Investigated the rationale behind significant or unusual transactions.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	2	17,530	-	17,530	34,921
Charitable activities	3	982,310	477,671	1,459,981	860,397
Investment income	5	25,375	-	25,375	6,898
Total Income		1,025,215	477,671	1,502,886	902,216
Expenditure on:					
Charitable activities	6	(901,091)	(77,114)	(978,205)	(725,766)
Total Expenditure		(901,091)	(77,114)	(978,205)	(725,766)
Net income		124,124	400,557	524,681	176,450
Transfers between funds		467,174	(467,174)	-	-
Net movement in funds		591,298	(66,617)	524,681	176,450
Reconciliation of funds					
Total funds brought forward		1,259,867	115,600	1,375,467	1,199,017
Total funds carried forward	15	1,851,165	48,983	1,900,148	1,375,467

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 15.

The notes on pages 19 to 31 form an integral part of these financial statements.

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(Registration number: 02474506)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	1,197,070	597,849
Current assets			
Debtors	10	89,395	32,179
Cash at bank and in hand	11	794,956	845,853
		884,351	878,032
Creditors: Amounts falling due within one year	12	(181,273)	(100,414)
Net current assets		703,078	777,618
Net assets		1,900,148	1,375,467
Funds of the charity:			
Restricted income funds			
Restricted funds	15	48,983	115,600
Unrestricted income funds			
Unrestricted funds		1,851,165	1,259,867
Total funds	15	1,900,148	1,375,467

For the financial year ending 31 March 2024 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 15 to 31 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Lisa Sharples
Trustee

The notes on pages 19 to 31 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 31 March 2024

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.

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.

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Notes to the Financial Statements for the Year Ended 31 March 2024

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.

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.

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Notes to the Financial Statements for the Year Ended 31 March 2024

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Bailey Thomas	-	17,000	17,000
Freemasons Grand Lodge	-	30,120	30,120
The Nottinghamshire Golf Club	2,000	-	2,000
Digital Inclusion	-	74,250	74,250
Notts Police & Crime Commissioner	-	11,727	11,727
Anon	3,200	-	3,200
Youth Investment Fund	-	339,138	339,138
Sundry donations	12,330	5,436	17,766
	<u>17,530</u>	<u>477,671</u>	<u>495,201</u>

5 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>25,375</u>	<u>25,375</u>	<u>6,898</u>

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Notes to the Financial Statements for the Year Ended 31 March 2024

8 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	733,781	540,167
Social security costs	38,692	24,925
Pension costs	25,920	31,356
	<u>798,393</u>	<u>596,448</u>

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

	2024 No	2023 No
Number of employees (including those on zero hours contracts)	<u>69</u>	<u>66</u>

30 (2023 - 23) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £25,920 (2023 - £31,356).

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2023 - £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 £99,019 (2023 - £91,755).

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Notes to the Financial Statements for the Year Ended 31 March 2024

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	117,141	54,127
Other taxation and social security	12,617	8,626
Other creditors	36,722	35,501
Accruals	14,793	2,160
	<u>181,273</u>	<u>100,414</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 Commitments

Capital commitments

At 31 March 2024 the charity had capital commitments of £218,147

The total amount contracted for but not provided in the financial statements was £218,147 (2023 - £Nil).

15 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General fund	1,115,358	1,025,215	(901,091)	611,683	1,851,165
<i>Designated</i>					
Building fund	144,509	-	-	(144,509)	-
Total unrestricted funds	<u>1,259,867</u>	<u>1,025,215</u>	<u>(901,091)</u>	<u>467,174</u>	<u>1,851,165</u>

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Notes to the Financial Statements for the Year Ended 31 March 2024

	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>					
Getaway 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					
Smile Stop Hate Crime	-	3,951	(3,951)	-	-
Digital inclusion	-	57,300	(57,300)	-	-
Short Breaks	-	10,000	-	-	10,000
Gener8	5,000	750	(5,750)	-	-
M8's	-	9,999	(9,999)	-	-
Building fund R	-	105,600	-	-	105,600
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>

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Notes to the Financial Statements for the Year Ended 31 March 2024

17 Related party transactions

There were no related party transactions in the year.

18 Taxation

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

19 Trustees remuneration and expenses

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

Isobel Pike

Isobel Pike received remuneration of £Nil (2023: £969) during the year.