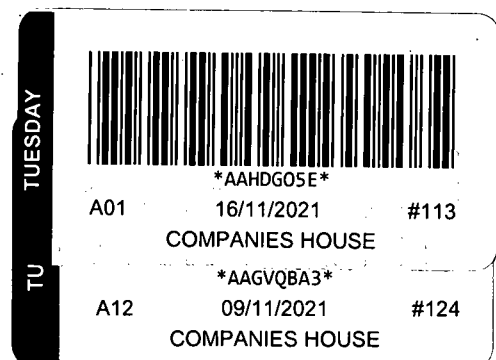


## **Sutton Mencap Charity Company**

### **Annual Report and Financial Statements For the year ended 31 March 2021**

**Charity number: 1080514**

**Company number: 03915936**



# **Sutton Mencap Charity Company**

## **Annual Report and Financial Statements**

**Year ended 31 March 2021**

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# Sutton Mencap Charity Company

## Company information

### Trustee Board

Chairman:	Mavis Peart OBE
Vice-Chairman:	Clare Fionda
Treasurer:	Paul Solomon
Trustee:	Titilayo Dairo
Trustee:	Kevin Dillon
Trustee:	Dennis Henstock
Trustee:	Michele Humphreys
Trustee:	Edwina Morris
Trustee:	Michelle Perrett
Trustee:	Amit Srivastava.
Trustee:	Simon Vines (appointed 10 September 2021)
Company Secretary:	David Hobday, Chief Executive Officer

Members of the Trustee Board are the directors of the company.

### Company Status

The company is a company limited by guarantee, not having a share capital and is registered in England and Wales.

**Registered company number:** 03915936

**Registered charity number:** 1080514

### Registered Office:

8 Stanley Park Road  
Wallington  
SM6 0EU

### Bankers

CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

Unity Trust Bank  
PO Box 7193  
Planetary Road  
Willenhall  
WV1 9DG

### Independent Examiner

Kevin Fisher  
Myrus Smith  
Norman House  
8 Burnell Road  
Sutton  
SM1 4BW

# **Sutton Mencap Charity Company**

## **Report of the Trustees**

**Year ended 31 March 2021**

### **Structure, Governance and Management**

#### **Governing document**

Sutton Mencap Charity Company is a charity registered with the Charity Commission and a Company Limited by Guarantee. The Charity Company was registered on 28 January 2000 and uses Sutton Mencap as its working name. The company was set up under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

#### **Appointment of trustees**

The Trustee Board for the Company is made up of a maximum of 12 members: the honorary officers plus up to 8 members. Honorary officers and members are elected at an Annual General Meeting. The Trustee Board may also co-opt members to fill skills gaps, provided that the number of co-opted members does not make up more than one-third of the Trustee Board's membership.

#### **Trustee recruitment**

Trustee recruitment is carried out according to policies which are reviewed on a regular basis. Potential trustees are invited to observe a trustee meeting and interviewed by the Chair and/ or another trustee.

#### **Trustee induction and training**

New trustees participate in an induction programme led by the Chief Executive Officer. They are invited to meet with key staff in the organisation and visit a range of services and are provided with an induction pack containing the Memorandum and Articles of Association, latest annual report and financial statements, strategic plan and key policies and procedures. Trustees participate in internal and external training, including an annual away day.

#### **Organisational structure**

The Trustee Board governs the charity and usually meets 8 times a year. The Trustee Board appoints a Chief Executive Officer to manage the day-to-day operations of the charity. The Chief Executive Officer attends Trustee Board meetings and advises and reports to the Trustees.

#### **Risk management and control**

The Trustee Board has a formal risk management strategy which enables it to identify and mitigate the major risks to which the charity is exposed. The strategy consists of:

- an annual review of the risks which the charity may have to face;
- the establishment of systems and procedures to mitigate those risks;
- the implementation of procedures designed to report on and minimise any potential impact on the charity should any of those risks materialise.

The principal risks, and actions taken to mitigate them are grouped under the following headings:

# **Sutton Mencap Charity Company**

## ***Governance***

Procedures are in place to monitor the success of recruitment and the mix of skills and life experiences trustees bring to the organisation. Effective decision making is monitored through the adoption and delivery of strategic plans.

## ***Finance***

Trustees consider management accounts, cash flow, and unpaid debts on at least a quarterly basis. Trustees ensure the charity operates effective financial controls to mitigate the potential for fraud or error.

## ***Staffing and volunteering***

Trustees receive regular reports on staffing levels and staff recruitment. Trustees ensure the charity operates clear policies on staff recruitment, management and training, disciplinary and grievance procedures, as well as operational policies and procedures.

## ***Legal compliance***

Trustees ensure the charity has a range of up to date policies in place and seeks external advice and expertise where required to ensure legal compliance.

## ***Service delivery***

Trustees receive regular reports from staff on service delivery issues. They also monitor service user feedback and compliance with contract and grant requirements from funders. Trustees allocate resources for quality assurance systems and staff training, including resources devoted to meet safeguarding responsibilities.

## ***Buildings, plant and equipment***

Trustees consider premises requirements and compliance with the building lease. Trustees allocate resources for building and equipment maintenance and monitor expenditure.

## ***External relationships and environment***

Trustees ensure the charity maintains appropriate relationships with key local and national bodies and keeps abreast of changes in local and national policy which could have an impact on the charity.

## ***Strategic plan***

Trustees agreed a 5-year strategic plan which began on 1<sup>st</sup> April 2019. The plan is centered around an agreed vision, which is that all people with a learning disability should be able to lead fulfilling lives and achieve their aspirations and potential.

Sutton Mencap's overall aim is to improve the lives of children and adults with a learning disability and their carers by:

- Reducing isolation and developing networks;
- Improving life skills, promoting independence and enabling choice and control;
- Supporting parents and carers; and
- Raising awareness of needs and promoting inclusion.

The specific strategic objectives in the new plan are set out under 3 broad headings:

# Sutton Mencap Charity Company

## 1. Service development

- To increase local provision of specialist service for children and adults and support for people during transition to adulthood.
- To strengthen our role in supporting service users to identify and meet individual goals.
- To help individuals and families have access to specialist advice and support.
- To ensure safeguarding remains embedded in every aspect of service delivery.

## 2. Community development

- To support people with a learning disability to develop a stronger collective voice and work with other communities to achieve social change.
- To increase participation of children and adults with a learning disability in mainstream activities through providing organisations with training and support alongside direct support to individuals.

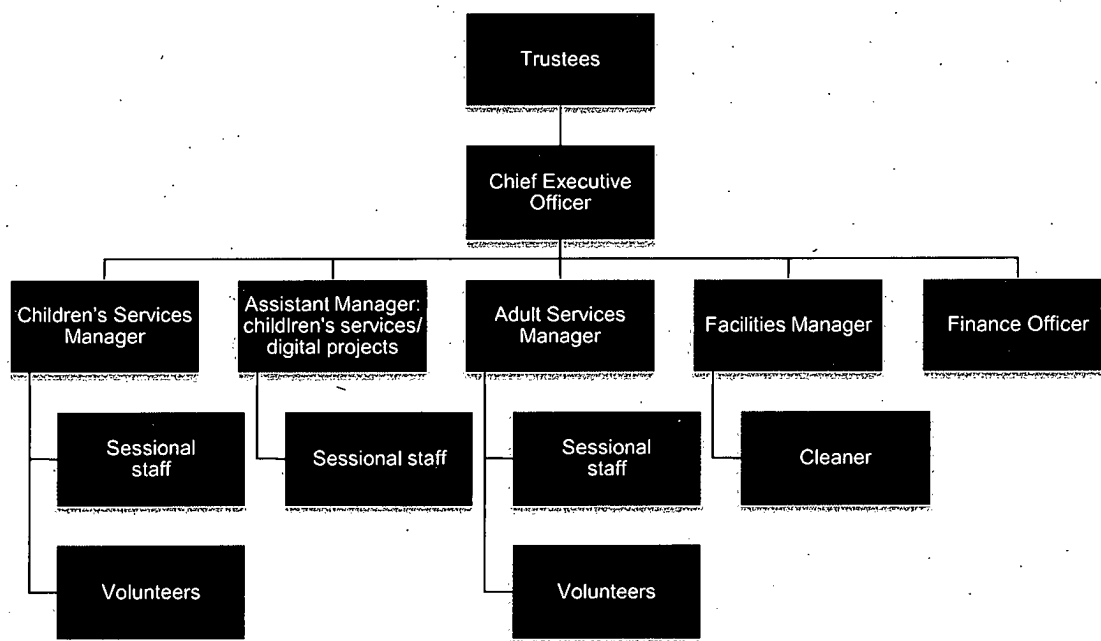
## 3. Service support

- To ensure Sutton Mencap's current and future premises and infrastructure needs are met.
- To maximise efficiencies and service improvement through further use of digital technology.
- To maintain income levels through fundraising and appropriate pricing of services.
- To ensure staffing arrangements are in place to support delivery of the plan.

These objectives are used to set an annual delivery plan for the organisation. Trustees monitor progress towards delivering the plan on a quarterly basis.

## Organisation structure

As at 31<sup>st</sup> March 2021, Sutton Mencap's organisation structure was as follows:



# **Sutton Mencap Charity Company**

## **Procedures for setting staff salaries**

The trustees have an established system for setting pay and remuneration for key management personnel which takes account of salary levels for similar local charities as well as existing posts within the organisation. Salary levels are reviewed annually and take account of comparative local and national trends as well as the financial performance of the organisation.

## **Developments, activities and achievements during the year**

### **Coronavirus (COVID-19)**

The pandemic had a huge influence on everything that happened at Sutton Mencap during the year covered by this report. Our response to the pandemic determined which services we could and couldn't provide, what new services and activities were needed, how our activities were delivered, and the activities that staff and volunteers were able to carry out.

Sutton Mencap remained open throughout the pandemic, and was able to offer a range of services and activities throughout the year. We were able to do this because of the dedication and determination of the staff team and the skills and oversight of trustees and senior managers.

Early on in the pandemic, trustees adopted key policies and plans to ensure the safe delivery of activities. A strong focus was placed on reviewing and applying government regulations and guidance, and we were grateful for the excellent local support we received from public health and commissioning colleagues.

Key policy documents were developed and reviewed on a regular basis. An overarching Covid-19 risk management plan was developed, backed up by comprehensive Covid risk assessments for each service delivered during the pandemic. Trustees also put in place an Outbreak Management Plan, which set out the steps we would take should person-to-person transmission be identified as having taken place at Sutton Mencap. We are pleased to report that to date there has been no such transmission.

At a service delivery level, systems were developed to ensure we limited the number of people at our premises, thus maintaining social distancing wherever possible. We reduced the number of attendees on all the services we offered. Managers and administrative staff were moved to working from home. A new cleaning regime was introduced, along with a range of measures designed to limit the likelihood of anyone with an infection attending the premises. Measures included testing arrangements, temperature checks and phone calls to service users and carers prior to the delivery of services. We also successfully secured access to PPE equipment and cleaning materials throughout the pandemic.

As the year went on, we were able to access regular national testing programmes and our staff also benefitted from early access to the vaccination programme. By the end of the year covered in this report, nearly all staff had received their first dose of a vaccination, with second doses scheduled to take place in April.

As at the end of March 2021, Covid-19 is still a serious concern and there is still a great deal of uncertainty about how the pandemic will shape our activities in the

## **Sutton Mencap Charity Company**

future. But having developed successful models of service delivery, we are well on the way to returning to full service delivery, enabling us to continue to meet the needs of the people and families we support.

### **Strategic priority 1: Service development**

#### ***Services for children and young people***

Whilst education closed for most children in March 2020, the government announced that school should continue for some categories of students, including those with special education needs and disabilities (SEND). All of the children who attend Sutton Mencap fit into this category.

We therefore teamed up with Sherwood Park School to provide a complementary service for SEND students. We set up half day sessions for individual children with the highest support needs to ensure families received as much respite as possible. This new service started on 3<sup>rd</sup> April and ran until the autumn, including during school holidays.

From the autumn, we began a planned return to our more usual group-based services, starting with after school clubs, and soon following on with Saturday services. Groups were kept very small to ensure we could maintain social distancing. Despite the surge in infections during the early part of 2021, we were able to continue this service offer. By the end of the March, we were making plans for our first children's holiday service in Easter, and looking to the return of normal service delivery, hopefully from late spring or early summer.

#### ***Services for adults***

The lockdown imposed in March 2020 meant that we were initially unable to offer any face to face services to our adult clients. We therefore set about identifying those most at risk from isolation and set up a system of regular telephone contact. We also quickly built up an online library of activities which people could download and use at home and began the developing of online groups.

As restrictions started to lift, we set up a new community-based service to provide one to one support to clients, which ran during the summer. We followed this with a return to our usual day services from the autumn onwards, albeit with much lower attendance to maintain social distancing. With government guidance allowing for the delivery of support groups, we were able to continue these services throughout the winter. By the end of the financial year we were planning for a return to other services such as our adult respite service, Breakaways.

We also began discussions with the council about setting up a new service to encourage people to re-engage with their local community once lockdown restrictions eased. Conversations with clients and carers identified that the pandemic had resulted in increased anxiety and a loss of confidence amongst many people with a learning disability. We therefore began planning for a new service called Step by Step, which will provide a safe environment for people to meet with friends and participate in community activities.

#### ***Online activities***

In recent years, Sutton Mencap has focussed increasingly on work to support people to use digital technology. We were therefore able to use our digital expertise to



## **Sutton Mencap Charity Company**

deliver online activity groups early in the pandemic. We expanded our digital offer throughout 2020, resulting in the provision of 5 or 6 online social groups each week. We were very grateful to the Coronavirus Community Support Fund, distributed by the National Lottery Community Fund, for their grant to provide these groups.

For Learning Disability Week in June 2020, we used digital technology for a specific music project to raise awareness of the needs and abilities of the people we support. People sent in videos of themselves singing and dancing, which were then put together as a music video called This is Me. The video was hugely successful, attracting over 4,000 views on Facebook. The video was a real morale boost for everyone concerned during a very difficult year.

At the beginning of 2021 we were also pleased to partner with the Royal Mencap Society in their Let's Get Digital project, which allowed us to distribute around 20 tablet computers to people with a learning disability.

By the end of the year, plans were in place to start up our Digital Paths to Inclusion project, for which funding had already been awarded by the City Bridge Trust. This will use digital technology to strengthen the voice of people with a learning disability. Our learning from digital projects over the last year will greatly help in the delivery of this new project.

Our digital work in 2020-21 has been hugely successful. However we recognise that some of our clients were not able to benefit in this way and many others would greatly prefer to meet face to face. Our intention for the coming year is to refocus on delivering face to face services, with the expectation that the demand for digital groups is likely to diminish over time.

### ***Safeguarding***

Sutton Mencap continues to prioritise the safety of service users and their families and safeguarding remains embedded in service delivery. We are proactive in reporting safeguarding concerns and devote significant resources to participating in multi-agency safeguarding work. During the year, increased workloads in this area placed significant demands on management time, with increased involvement in multi-agency working and case conferences.

### **Strategic priority 2: Community development**

Our community development work was greatly impacted by the pandemic. Many community venues were closed for long periods during the year and people with a learning disability were often either required to shield, or lacked confidence to attend venues. It was therefore difficult to make progress in this area. However, our new Step by Step programme and the start of the Digital Paths to Inclusion project should help us take advantage of the proposed relaxation of restrictions and therefore make much more progress in the coming year.

### ***Sports Inclusion***

The Sutton Sports Inclusion Group is chaired and serviced by Sutton Mencap. It brings together representatives from voluntary and community groups, council departments and local leisure services to focus on improving access to sports facilities for disabled people. The group continued to meet during 2020 and played a valuable role in supporting the re-opening of disability sports sessions and distributing information on local activities.

# **Sutton Mencap Charity Company**

## ***Networking and representation***

Most of this work moved online, but Sutton Mencap continued to participate in a number of local partnerships where this furthers the organisation's aims and strategic priorities. These include partnership boards with local public sector bodies and voluntary sector-led networks.

We are also affiliated to the Royal Mencap Society and work with them to strengthen links between local and national strategies through our membership of the Mencap Me20 network and the Your Network online forum.

## **Strategic Priority 3: Service Support**

### ***Premises and infrastructure***

Sutton Mencap's current lease on its premises is due to end in December 2022. Trustees began work on setting out our future premises needs at their away day in September 2019. Whilst we were unable to make progress on this during the pandemic, it will be a key issue over the coming 18 months.

We continue to invest in the building, ensuring we maintain high quality facilities for use by our service users. Many of the areas in the building were decorated during the pandemic. We were also able to use part of our funding from the London Community Response Fund to set up a new multimedia Digital Studio, which will allow us to support people who use our service to create audio and video content.

Our response to Covid-19 resulted in significantly increased expenditure on infection control measures. This included frequent cleaning of the building and equipment and the increased use of personal protective equipment. Funding for the London Community Response Fund also allowed us to purchase infection control packs for staff supporting service users away from our premises.

### ***Supporting staff and volunteers***

The pandemic was of course hugely disruptive to the way our staff worked. With service delivery reduced significantly, the number of staff on each service also declined. The Coronavirus Job Retention scheme ('furlough' scheme) was used extensively, allowing us to top up salaries for staff on reduced hours. Gradually, we increased services and therefore the number of hours worked by staff, reducing our reliance on the furlough scheme.

We also carried out an extensive review of our core staff requirements, which led to some administrative posts being made redundant, resulting in the loss of two longstanding and highly-regarded staff. We were very sorry to see them go.

Trustees and senior managers were greatly aware of the potential negative impact on staff morale as a result of the pandemic. Before services re-opened we introduced back to work interviews to ensure staff felt confident to restart their role and followed up with regular contact.

We also made sure that staff could benefit from infection control measures being introduced across the social care sector. Staff were able to access a programme of regular COVID testing and we were able to offer vaccinations to all frontline staff from January onwards. We are pleased to report that take up of both was very high.

## **Sutton Mencap Charity Company**

As the year ended, we were ready to implement a new staff mental health and wellbeing policy, which will set out how we will support staff in this vital area in the future. We also worked on the development of a new staff training programme which we intend to implement in the new year.

The overall number of staff declined during the year, as a result of being unable to carry out any recruitment campaigns. Whilst this is manageable during the pandemic, we are aware that we will need more staff to enable our return to a full range of services. We were very pleased to be successful in applying for 12 months of free access to an online recruitment portal provided by Hireful. We look forward to making use of this to help us increase the size of our team.

Volunteer involvement also declined significantly over the year, with regular volunteers needing to shield. We look forward to volunteers returning to us as restrictions ease.

### ***Maintaining income through fundraising***

As income from service delivery reduced significantly during the pandemic, grant income became much more important in sustaining the organisation's future. We are very grateful to the London Borough of Sutton for establishing a grant scheme to cover us for the loss in income resulting from their clients no longer attending our services. This scheme, which ran from April to September 2020 enabled us to stay open and continue to support people with a learning disability during this period. As the year progressed and services began to start up again, we were able to continue without the need for the grant.

We are also very grateful to the City Bridge Trust who allowed us to convert the first year of our Digital Paths to Inclusion grant to pay for core costs. Again, this proved extremely helpful in ensuring the organisation could stay open.

We are also very grateful to the many clients, supporters, parents and carers who made donations to us during the year.

As mentioned above, we also benefited from smaller grants schemes aimed specifically at supporting organisations through Covid-19, which allowed us to develop our digital services and provided digital equipment and infection control materials. We were also supported by the council to access funding from the Infection Control Fund, which helped us recover some of the increased costs resulting from infection control measures.

### **Financial Review**

The year ended 31<sup>st</sup> March 2021 was hugely impacted by the Coronavirus pandemic, so much so, that comparisons with the budget and last year's actuals are somewhat meaningless. Needless to say, our income for the year of £640,280 resulted in an increase of expenditure over income of £38,276. This was a considerable achievement considering we had system changes and were forced to make two members of staff redundant.

None of our services broke even financially. Once we were able to restart services, groups sizes were significantly lower, but there was a need for higher staff ratios to maintain safety levels. This applies to both Adult, and Children and Young Persons services.

## **Sutton Mencap Charity Company**

However, we did benefit from a grant from the London Borough of Sutton of £28,500 per month from April to September. We were also able to use one year of the grant from City Bridge for Digital Paths towards core expenditure. The Government Furlough Scheme lasted longer than anticipated and the amount received, £157,000, helped us to keep our staff levels.

There was no expenditure on Capital items during the year, and the reduction in Fixed Assets is the result of depreciation charges.

We continue to put pressure on Sutton Council to speed up the payment of long outstanding invoices. This resulted in a £6,000 reduction in the year, and at the end of March stood at £26,855. This is still at an unacceptable level with more than 50% more than three months old.

Cash is invested in short- and medium-term bank deposits. Although we recorded a shortfall for the year, actual cash funds increased by £14,000. The Accounting Standard requires the production of a Cash flow Statement and this has been included in the annual report.

The Balance Sheet reflects the deficit for the year with total funds down in comparison to last year. However, clients, partners, staff and trustees can have confidence that we will be able to continue to provide services, we trust, for many years to come. Suffice to say under this heading, Sutton Mencap's finances are currently in good shape.

### **Reserves policy**

Sutton Mencap requires an appropriate level of reserves to enable it to achieve the following objectives:

- Primarily, to ensure that Sutton Mencap is able to survive unexpected set-backs, including short term funding issues, and problems arising from internal or external causes.
- To provide the option of developing new services or expand current ones in line with the changing needs of the community.

Trustees consider it prudent for Sutton Mencap to hold a level of reserves to meet its primary objective equivalent to 3 months' average expenditure, excluding fixed-term, grant-funded activities. Trustees have also set a target of 6 months expenditure to enable them meet the second objective of developing or expanding services.

### **Public benefit**

Charity law requires that the Board of Trustees pay due regard to the public benefit guidance published by the Charity Commission and have a duty to achieve the purposes of the charitable company. In setting the charity's objectives, planning its activities and reviewing all proposed activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees review and approve the annual budget and periodically review the financial performance and reports of the company to ensure that it is operating in a manner consistent with achieving its purposes. In addition, the Trustees are of the opinion that the policies and procedures in place are sufficiently robust to ensure that the charity achieves its purpose.

# Sutton Mencap Charity Company

## Responsibilities of the Trustee Board

The trustees are also directors of Sutton Mencap for the purposes of company law and are responsible for preparing the Trustees Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires that the Trustees prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements the Board of Trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS102);
- 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 operation.

The Board of Trustees is responsible for keeping adequate accounting records that 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.

Approved by the Trustees and signed on their behalf by:

M. Peart Date 20.10.21.

Mavis Peart  
S.O. Date 03.11.21

Simon Vines

# Sutton Mencap Charity Company

## Independent Examiner's Report to the Trustees of Sutton Mencap Charity Company

I report to the charity trustees on my examination of the accounts of the company for the year ended 31<sup>st</sup> March 2021 which are set out on pages 15 to 25.

### Responsibilities and basis of report

As the charity 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 company'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 of Institute of Chartered Accountants in England and Wales, 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.



K C Fisher FCA  
c/o Myrus Smith  
Chartered Accountants  
Norman House, 8 Burnell Road,  
Sutton, Surrey. SM1 4BW

Date: 8-11-2021

# Sutton Mencap Charity Company

## Statement of Financial Activities and Income & Expenditure Report For the year to 31 March 2021

	Note	Restricted Funds £	Unrestricted Funds £	2021 Total £	2020 Total £
<b><u>Income and endowments</u></b>					
Donations and legacies	3	-	43,254	43,254	35,286
Other trading activities	4	-	6,539	6,539	19,313
Investment income	5	-	1,064	1,064	1,731
<b>Income from charitable activities</b>					
Grants	6	238,337	169,452	407,789	11,760
Fees from services for children and young people		-	92,726	92,726	303,107
Fees from services for adults		-	88,908	88,908	392,577
<b>Total income and endowments</b>		<b>238,337</b>	<b>401,943</b>	<b>640,280</b>	<b>763,774</b>
<b><u>Expenditure</u></b>					
Expenditure on raising funds		-	11,921	11,921	24,732
Expenditure on charitable activities	7	241,247	425,388	666,635	742,041
<b>Total expenditure</b>		<b>241,247</b>	<b>437,309</b>	<b>678,556</b>	<b>766,773</b>
<b>Net income/ (expenditure)</b>	9	<b>(2,910)</b>	<b>(35,366)</b>	<b>(38,276)</b>	<b>(2,999)</b>
<b>Transfers between funds</b>		-	-	-	-
<b>Net movement in funds</b>		<b>(2,910)</b>	<b>(35,366)</b>	<b>(38,276)</b>	<b>(2,999)</b>
<b><u>Reconciliation of funds</u></b>					
Total funds brought forward		15,719	197,104	212,823	215,822
<b>Total funds carried forward</b>		<b>12,809</b>	<b>161,738</b>	<b>174,547</b>	<b>212,823</b>

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

All incoming resources and resources expended derive from continuing activities.

# Sutton Mencap Charity Company

## Balance Sheet at 31 March 2021

Company Registration Number 03915936

	Note	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible Fixed Assets	12	<u>21,215</u>	<u>33,952</u>
<b>Current Assets</b>			
Debtors	13	65,353	87,437
Investments		-	85,000
Cash at Bank and in hand		<u>180,278</u>	<u>81,665</u>
		245,631	254,102
<b>Liabilities:</b>			
Creditors	14	92,299	75,231
<b>Net Current Assets</b>		153,332	178,871
<b>Total Assets less Current Liabilities</b>		<u><b>174,547</b></u>	<u><b>212,823</b></u>
<b>Funds</b>			
Unrestricted Fund	16	148,738	184,104
Designated Fund	16	13,000	13,000
Restricted Funds	16	12,809	15,719
		<u><b>174,547</b></u>	<u><b>212,823</b></u>

For the year ended 31 March 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on

Signed on behalf of the Trustees

*M. Peart*

Mavis Peart

Date 20.10.21

*Simon Vines*

Simon Vines

Date 03.11.21



# Sutton Mencap Charity Company

## Statement of cash flows For the year to 31 March 2021

	Note	Total funds March 2021 £	Total funds March 2020 £
<b>Net Cash provided by operating activities</b>	19	<u>12,549</u>	<u>(17,800)</u>
<b>Cash flows from investing activities</b>			
Interest income		1,064	1,731
Purchase of tangible fixed assets		-	(26,027)
Transfer from investment		85,000	-
<b>Net cash (used in)/ provided by investing activities</b>		<u>86,064</u>	<u>(24,296)</u>
<b>Change in cash and cash equivalents</b>		98,613	(42,096)
Cash and cash equivalents brought forward		81,665	123,761
<b>Cash and cash equivalents carried forward</b>		<u>180,278</u>	<u>81,665</u>
<b>Analysis of cash and cash equivalents</b>			
Cash at bank and in hand		<u>180,278</u>	<u>81,665</u>

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021

### 1) Accounting Policies

#### **Basis of preparation and assessment of going concern**

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

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

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

#### **Income recognition**

Items of income are recognised in the financial statements when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

The charity received government support through the Coronavirus Job Retention Scheme (CJRS) which is accounted for on the accrual basis, and is included under Grants received (Note 6).

#### **Expenditure recognition**

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds which comprises those costs associated with attracting general donations.
- Expenditure on charitable activities which comprises the costs of running various activities and services for the charity's beneficiaries.

Expenditure includes those costs of a direct nature which can be allocated to specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of the number of hours of service provided and staff time.

#### **Fund accounting**

Unrestricted general funds are those which are freely available for the use in furtherance of the objects of the charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds set aside by the trustees for specific purposes.

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 1) Accounting Policies (continued)

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

#### Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as per note 12.

#### Pension scheme

The charity operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

### 2) Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

### 3) Donations and Legacies

	Restricted	Unrestricted	2021 Total	2020 Total
	£	£	£	£
Donations	-	43,254	43,254	35,286
Legacies	-	-	-	-
	-	43,254	43,254	35,286

All of the £35,286 recognised in 2020 related to unrestricted funds.

### 4) Other trading activities

	Restricted	Unrestricted	2021 Total	2020 Total
	£	£	£	£
Rent received	-	3,900	3,900	4,620
Fundraising events	-	2,639	2,639	13,775
Fees and earned income	-	-	-	918
	-	6,539	6,539	19,313

Of the £19,313 recognised in 2020, 1,466 related to restricted funds.

### 5) Investment income

	Restricted	Unrestricted	2021 Total	2020 Total
	£	£	£	£
Interest received	-	1,064	1,064	1,731
	-	1,064	1,064	1,731

All of the £1,731 recognised in 2020 related to unrestricted funds.

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 6) Grants received

	Restricted	Unrestricted	2021 Total	2020 Total
HMRC Coronavirus job retention scheme	166,737	-	166,737	-
London Borough of Sutton fixed costs	-	157,452	157,452	-
City Bridge Trust core cost conversion	52,100	-	52,100	-
Covid Infection control fund	-	10,000	10,000	-
Coronavirus Community Support Fund	9,900	-	9,900	-
London Community Response Fund	6,600	-	6,600	-
Gary Kesner Trust	3,000	-	3,000	3,000
Royal Mencap Society Let's Get Digital	-	2,000	2,000	-
D M Thomas Foundation	-	-	-	4,403
Sutton Community Fund - services	-	-	-	1,857
ACT Foundation	-	-	-	1,500
Royal Mencap Society London Marathon	-	-	-	500
Community Action Sutton	-	-	-	500
	<b>238,337</b>	<b>169,452</b>	<b>407,789</b>	<b>11,760</b>

All of the £11,760 recognised in 2020 related to restricted funds.

### 7) Charitable activities

	Restricted	Unrestricted	2021 Total	2020 Total
	£	£	£	£
Staff costs (excluding fundraising and governance)	197,572	349,858	547,430	553,676
HR and training costs	3,075	4,099	7,174	13,678
Minibus costs	1,366	1,792	3,158	6,609
Accommodation costs	23,007	28,909	51,916	56,990
Direct project costs (excluding staff costs)	-	12,896	12,896	66,703
Depreciation	2,855	9,881	12,736	9,098
Governance costs	-	8,316	8,316	8,654
Administration and office costs	13,372	9,637	23,009	26,633
	<b>241,247</b>	<b>425,388</b>	<b>666,635</b>	<b>742,041</b>

Of the £742,041 recognised in 2020, £30,533 related to restricted funds.

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 8) Staff Costs

	2021	2020
	£	£
Wages and salaries (including redundancy costs)	505,190	533,522
Employer's National Insurance	30,345	33,382
Staff Pensions	14,238	15,193
Holiday pay accrual	17,408	701
Employment allowance	(4,000)	(3,000)
	<b>563,181</b>	<b>579,798</b>

Total employee benefits for key management personnel amounted to £134,003 (2020: £132,784)

No employee earned £60,000 per annum or more.

No trustee received remuneration during the year.

The average number of full-time equivalent employees were:

	2021	2020
Chief Executive Officer	1	1
Administration and finance	1.4	2
Children and young people's services	5.9	6.5
Adult services	9.1	8.5
Circles of Support	0	0.2

### 9) Net income/ expenditure for the year

This is stated after charging

	2021	2020
	£	£
Depreciation	12,737	9,098
Independent examination fee	2,760	2,720
	<b>15,497</b>	<b>11,818</b>

### 10) Trustees Emoluments & Expenses

No Trustees received emoluments or expenses during the year. There were no other trustee expenses during the year. (2020: £254 for training and trustee event expenses on behalf of 10 trustees).

### 11) Taxation

The charitable company is exempt from corporation tax on its charitable activities

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 12) Tangible fixed assets

	Leasehold Property	Furniture Fittings Fixtures	Office Equipment	Motor Vehicle	Garden	Total
	£	£	£	£	£	£
<b>Cost</b>						
As at 1 April 2020	469,699	48,543	15,228	22,500	14,484	570,453
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at 31 March 2021	<b>469,699</b>	<b>48,543</b>	<b>15,228</b>	<b>22,500</b>	<b>14,484</b>	<b>570,453</b>
<b>Depreciation</b>						
At 1 April 2020	461,776	36,921	2,476	20,846	14,481	536,500
Charge for the year	3,163	4,084	5,076	414	0	12,737
Eliminated on disposals	-	-	-	-	-	-
At 31 March 2021	<b>464,939</b>	<b>41,005</b>	<b>7,552</b>	<b>21,260</b>	<b>14,481</b>	<b>549,237</b>
<b>Net Book Value</b>						
At 31 March 2021	<b>4,760</b>	<b>7,539</b>	<b>7,676</b>	<b>1,240</b>	<b>0</b>	<b>21,215</b>
At 31 March 2020	<b>7,923</b>	<b>11,623</b>	<b>12,752</b>	<b>1,654</b>	<b>-</b>	<b>33,952</b>
Depreciation rates	15 years straight line Lease period	25% reducing balance	25% reducing balance	25% reducing balance	10 years straight line	

### 13) Debtors

	2021	2020
	£	£
Prepayments	13,977	11,182
Debtors	54,376	79,255
Less: provision for bad debts	(3,000)	(3,000)
	<b>65,353</b>	<b>87,437</b>

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 14) Creditors - Amounts falling due within one year

	2021	2020
	£	£
Accruals	5,569	6,308
Holiday pay accrual	32,577	15,169
Deferred income	14,620	14,320
Creditors	1,875	2,576
Payroll creditors	37,658	36,858
	<b>92,299</b>	<b>75,231</b>

### 15) Obligations under lease

At the 31 March 2021 the charity was committed to making the following lease payments under non-cancellable leases

	Photocopier	Franking Machine	Land and Buildings	Photocopier	Franking Machine	Land and Buildings
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Within one year	1,642	683	20,000	1,781	683	20,000
Between one and five years	6,653	1,082	15,000	1,187	1,766	35,000
<b>Total</b>	<b>8,295</b>	<b>1,765</b>	<b>35,000</b>	<b>2,968</b>	<b>2,449</b>	<b>55,000</b>

The trustees of Sutton Mencap have entered into a lease of 8 Stanley Park Road for 26 years from 25 December 1997 at the current rental of £20,000 per annum. Rental is funded via a payment from the London Borough of Sutton.

### 16) Movement in funds

	Balance as at 1.4.20	Income	Expenditure	Transfers	Balance as at 31.3.21
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	184,104	401,943	(437,309)	-	148,738
Redundancy fund	13,000	-	-	-	13,000
<b>Total unrestricted funds</b>	<b>197,104</b>	<b>401,943</b>	<b>(437,309)</b>	<b>-</b>	<b>161,738</b>

# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 16) Movement in funds (continued)

	Balance as at 1.4.20	Income	Expenditure	Transfers	Balance as at 31.3.21
<b>Restricted funds</b>					
HMRC JRS grant	-	166,737	(166,737)	-	-
City Bridge Trust	-	52,100	(52,100)	-	-
Coronavirus Community Support Fund	-	9,900	(9,900)	-	-
London Community Response Fund	-	6,600	(5,172)	-	1,428
Gary Kesner Trust	-	3,000	(3,000)	-	-
Minibus Fund	4,429	-	-	-	4,429
DM Thomas Foundation	3,145	-	(1,258)	-	1,887
Wakelen Conservatory Fund	6,219	-	(1,154)	-	5,065
Sensory Room	1,926	-	(1,926)	-	-
<b>Total restricted funds</b>	<b>15,719</b>	<b>238,337</b>	<b>(241,247)</b>		<b>12,809</b>
<b>Total funds</b>	<b>212,823</b>	<b>640,280</b>	<b>(678,556)</b>		<b>174,547</b>

2020 Comparative information for the net movement in funds is as follows:

	Balance as at 1.4.19 £	Income £	Expenditure £	Transfers £	Balance as at 31.3.20 £
<b>Unrestricted funds</b>					
General fund	172,759	750,548	(736,240)	(2,963)	184,104
Redundancy fund	13,000	-	-	-	13,000
<b>Total unrestricted funds</b>	<b>185,759</b>	<b>750,548</b>	<b>(736,240)</b>	<b>(2,963)</b>	<b>197,104</b>
	Balance as at 1.4.19	Income	Expenditure	Transfers	Balance as at 31.3.20
<b>Restricted funds</b>					
The James Trust	17,467	-	(17,467)	-	-
DM Thomas – Changing bed	-	4,403	(1,258)	-	3,145
Gary Kesner Trust	-	3,000	(3,000)	-	-
Sutton Community Fund - services	-	1,857	(1,857)	-	-
ACT Foundation	-	1,500	(1,500)	-	-
Minibus fund	-	1,466	-	2,963	4,429
Royal Mencap Society	-	500	(500)	-	-
Community Action Sutton	-	500	(500)	-	-
Hospital Visitor project	1,282	-	(1,282)	-	-



# Sutton Mencap Charity Company

## Notes to the financial statements for the year ended 31 March 2021 (continued)

### 16) Movement in funds (continued)

Wakelen Conservatory Fund	7,480	-	(1,261)	-	6,219
Sensory Room	3,834	-	(1,908)	-	1,926
<b>Total restricted funds</b>	<b>30,063</b>	<b>13,226</b>	<b>(30,533)</b>	<b>2,963</b>	<b>15,719</b>
<b>Total funds</b>	<b>215,822</b>	<b>763,774</b>	<b>(766,773)</b>	<b>-</b>	<b>212,823</b>

### 17) Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	5,082	16,133	21,215
Net current assets	7,727	145,605	153,332
	12,809	161,738	174,547

Funds are used for the provision of services and for works to the property that is used in the provision of these services.

### 2020 Comparative information for the net movement in funds is as follows:

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	7,937	26,015	33,952
Net current assets	7,782	171,089	178,871
	15,719	197,104	212,823

### 18) Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,238. (2020: £15,193)

At 31 March 2021 £1,929 of contributions were payable and included in creditors. (2020: £2,252)

### 19) Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	(38,276)	(2,999)
Add back depreciation charge	12,737	9,098
Deduct interest income shown in investing activities	(1,064)	(1,731)
Decrease/ (increase) in debtors	22,084	23,859
(Decrease)/ increase in creditors	17,068	(46,027)
	12,549	(17,800)

### 20) Contingent Assets

Total grant funding awarded as at 31 March 2021 but not yet received and recognised as income due to the recognition criteria not being met amounts to £106,300.