

Company Number 04332965

Charity Number 1091809



Leeds Mencap

(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 30 September 2023

Leeds Mencap

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Charity Information

Trustees	L Hewson	Chair	
	T Burt		(resigned 22 February 2024)
	S Clarke		(resigned 3 May 2024)
	H Cohen		(resigned 7 November 2023)
	C Murray		
	K Goldring		
	E Walsh		(appointed 28 March 2023 resigned 31 January 2024)
	L Greenwood		(appointed 7 November 2023)
	W McCarthy		(appointed 13 March 2024)

Chief Executive Officer	Cath Lee Ged Walker	(to 24 February 2023) (from 6 February 2023)
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Charity number 1091809

Company number 04332965

Principal and registered office 20 Vinery Terrace
Leeds
LS9 9LU

Auditors HPH Accountants LLP
54 Bootham
York
YO30 7XZ

Bankers Barclay Bank plc
Barclays Business Centre
Leeds
LS1 1PA

Leeds Mencap

Report of the trustees for the year ended 30 September 2023

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 30 September 2023. These are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) effective 1 January 2019.

The reference and administrative details on page 1 of these financial statements form part of the report of the trustees.

Review of the year by the Chair of trustees

It is good to report that whilst still recovering from the impact of Covid, we were able to welcome Ged Walker as our new CEO, continue to provide our full range of services to children, young people and families and to start to look forward to addressing our 5-year strategic plan which aims to:

- improve the reach and increase the range of services, activities and support we offer.
- ensure the operating model of Leeds Mencap is financially sustainable.
- be an organisation where everyone feels they belong and are valued for their contribution.
- promote an organisational culture of continual improvement responding to the needs and views of people who use our services. Everything we do is high quality and safe.

Many of those who access our family services had struggled due to the isolation that Covid had imposed upon them and we continued to see the impact of this isolation and lack of access to services, with a greater demand for support with communications, social interaction and mental health.

As the difficult funding environment continued, our ability to increase our services has been limited, however, alongside the ongoing delivery of our specialist nursery and activities at The Vinery Centre, we have been pleased to extend our reach through funding received from the Masonic Foundation. This has specifically funded our Family Support service by providing workshops across Leeds to help parents of children with SEND to learn new techniques and strategies to support better sleep and communication, and manage challenging behaviour.

Although the fundraising environment remains challenging, we have been able to return to a financial model with more diverse income streams, as income from room hire in our building increased and more nursery places start to be taken up

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Report of the trustees for the year ended 30 September 2023 (continued)

again. Although not at pre-pandemic capacity we were pleased to see a return to higher numbers of children attending nursery, as this provides much needed stability and support for families. We have also sought to mitigate the impact of the cost-of-living crisis on our families by implementing only minor increases in charges for our nursery, youth clubs and playschemes.

The ongoing challenges in recruiting staff for our nursery and holiday playschemes has also impacted on our ability to run services at full capacity. In order to understand why staff move on from Leeds Mencap, we have ensured exit interviews have taken place. Interestingly we found that staff have mainly left to secure higher paid positions in either specialist education, health or care settings, and many identified that they wouldn't have been able to do this without the in-depth experience and support they gained whilst working in the specialist playroom at Leeds Mencap.

Next year we will continue to focus on improving recruitment and retention of staff, developing improved feedback from those who use our services and outcome measures developing our Equality and Diversity Plan. In addition we are aware that engagement with our wider stakeholders needs to be prioritised, exploring opportunities for partnerships and this will be a key area for 2023-2024.

People

Two longer serving trustees resigned after the review period. In November 2023, Howard Cohen left. We are grateful to Howard for his contribution as an effective first chair of the Finance, Risk and Audit sub-committee, as well as bringing a parent voice to our deliberations. After nearly 5 years Tim Burt resigned in February 2024. Tim still plays an active role in the charity, attending many of our fundraising events and brokering relationships with businesses in Leeds, and we thank him for all his work as a trustee and his continued support.

After 12 years with Leeds Mencap our Family Services Manager, Esme Winston Little, left the charity in September 2023. During her time here she worked in a range of roles and has left to work in a Specialist Inclusion Learning Centre, further developing her career in working with children with additional needs.

Finally, on behalf of the trustees, we offer our most heartfelt thanks to our previous CEO, Cath Lee, for the many years of dedication and service she has given to the charity and all that she has done for the communities we serve.

I would also like to recognise the dedication of the whole of the staff team and to thank them for their time and commitment in ensuring that our services have continued to be there for those who most need them, and to the trustees who all contribute their time as volunteers.

Dr Lesley Hewson OBE
Chair of trustees

Leeds Mencap

Report of the trustees for the year ended 30 September 2023 (continued)

Charitable purpose and principal activities

The charitable objects guide the trustees in ensuring our work meets charitable purposes and is of public benefit. They are:

- The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage, in particular but not exclusively children and young people up to the age of 25 with a learning disability, and their families and carers.
- Providing or assisting in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, ill-health or disability, financial hardship or social circumstances with the object of improving their conditions of life.
- Advancing the education of children by providing learning facilities, in particular but not exclusively through the provision of a nursery and an after school and holiday club; and
- Advancing the education of the wider public in relation to learning disabilities.

The activities we deliver to achieve these purposes include provision of:

A family support service.

We offer information, advice, guidance, practical and emotional support to parents and carers of children or young people with learning disabilities.

We also offer training in relevant areas such as sleep and communication skills (eg. Makaton) and parents/carers have the opportunity to come together and meet each other at a weekly coffee morning.

Early Years education for children with and without learning disabilities.

We run a community nursery, Jimbo's Community Nursery, for children in the local area and a specialist playroom (Hawthorn Playroom) within the nursery for children from across Leeds with learning disabilities, autism or other developmental delay.

We offer specialist intensive developmental play sessions in the Hawthorn Playroom. The sessions provide the children with structured learning in a fun and safe environment supported by staff who understand how children with additional needs develop. The playroom lays the foundations for the children to enter mainstream or specialist education having had the opportunity to develop their abilities and potential in the same way as any other child.

Leeds Mencap

Report of the trustees for the year ended 30 September 2023 (continued)

Jimbo's Community Nursery is based in one of the most deprived wards of Leeds and we have found in the 6 years since we opened that a higher number of children than average have delays in their development, as well as barriers to their learning. We are able to identify these issues early and start the process of getting the children and their families the additional help and support they need to enable them to make the most of the Early Years play and education available to them.

Evening activity clubs for children and young people with and without learning disabilities:

Youth Clubs for children and young people with a learning disability (aged 9 – 18, a young adult social group for 18 – 30s) and a Sibling Support Group for children and young people who have a brother or sister with a learning disability.

An After School Club is provided as part of the community nursery to offer wrap around care for children aged 5 – 11 who attend local schools.

Holiday clubs and playschemes for children and young people with and without learning disabilities:

Playschemes are run during school holidays for children and young people with learning disabilities aged 4 – 18. The playschemes include workshops, themed days, trips out, discos, outdoor and soft play, sensory activities.

A Holiday Club is run through the nursery for children who live locally. This supports working families but also helps continue support for families whose children are vulnerable or at risk and in need throughout the school holidays.

High quality facilities and space for people with and without learning disabilities to use and bring communities together:

Our building, The Vinery Centre, offers great specialist facilities ('Changing Places' toilet, sensory room, soft playroom, outdoor play area and equipment) and multi-functional rooms to other organisations that support people with learning disabilities and groups that need space for a variety of activities. The Vinery Centre has become well known for being welcoming and flexible.

Public Benefit

The trustees recognise their duties under the Charities Act 2011 and have referred to the Charity Commission's guidance on public benefit in planning and reviewing Leeds Mencap's activities.

Leeds Mencap

Report of the trustees for the year ended 30 September 2023 (continued)

Performance and Achievements

This year we delivered in person services to a total of 572 people (children, young people, and parents/carers), and between October 2022 and September 2023 we:

- Supported 21 children aged 0 – 4 in the specialist playroom.
- Delivered ongoing tailored one-to-one advice, support, and guidance to 70 families
- Supported 35 families whose children have learning disabilities aged 0 – 5 through Chats & Tots, our parent support coffee morning/stay and play sessions
- Ran youth clubs and social activities for 52 children and young people with a learning disability aged 9 – 18
- Ran youth clubs and social activities for 28 young adults with a learning disability aged 18-30 through our Friday Club
- Ran holiday playschemes in the school holidays for 221 children with learning disabilities aged between 4 and 18
- Supported 23 children and young people who have a brother or sister with a learning disability, including regular weekly youth club sessions and holiday playschemes
- Hosted volunteers for a total of 1,558 volunteering hours supporting the delivery of valuable services in our centre
- Loaned 63 pieces of equipment totalling £6,172 through our SEND Toy Library

A further 269 children benefited from attending the mainstream nursery and Holiday Club. We were successful in securing significant funding through the Healthy Holidays scheme again this year. This scheme enables children to continue to access free school meals throughout the holidays and take part in activities and outings to broaden their experience. As a result of the funding, we were able to provide Holiday Club places free of charge to local children who experience disadvantage.

During this year a massive 2,970 individuals visited the Vinery Centre. Of the total number of visitors 52% have a learning disability or support someone with a learning disability.

We continued to deliver work over and above our core offer, and this year we:

- We launched our SEND Toy Library, and throughout the year added further resources to it, further increasing its offer to parents, carers and education settings.

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Report of the trustees for the year ended 30 September 2023 (continued)

- We secured funding to develop a new year-long programme of family support work, which will offer families more holistic services, including a weekly peer support group, communication workshops, sleep training and SEND parenting courses.
- The centre continued to make its way back towards pre-pandemic use, in particular with room hire exceeding expectations.
- We celebrated the 70th anniversary of the charity, hosting an event which welcomed project partners, local politicians, previous service users and the family of the original charity's founder.

Our achievements during the year would not have been possible without the support of all those who funded and supported us. We are extremely grateful to them all. We were also extremely grateful to staff who showed creativity and innovation, as well as great care in providing support to families.

Changes to the Board

During the reporting year we welcomed one new trustee. Trustees further refined the way in which the three Sub Committees: Finance, Risk & Audit; Strategy, Development & Monitoring; and Fundraising, Marketing & Communication, and the way in which the subcommittees work with the CEO and management team.

Fundraising

In a time when competition for funding is increasingly tough, our small, but effective fundraising team work tirelessly to help ensure that Leeds Mencap can continue to deliver its services.

This year we have received funding from 28 Trusts and Foundations, which is still the largest fundraised contribution to the charity. We have also received support from 12 corporate supporters and one major legacy donation.

We are also grateful for the ongoing commitment of many core supporters who continue to make regularly monthly donations to the charity.

We do not use third parties in our fundraising, nor do we cold call. We are registered with the Fundraising Regulator and seek to apply the highest ethical standards to all our fundraising. No fundraising complaints were received in the period.

We continue to be immensely grateful for the generosity and commitment of all our supporters.

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Report of the trustees for the year ended 30 September 2023 (continued)

Volunteers

Many volunteers gave up their time to help us, for example, supporting young people with learning disabilities in the specialist playroom, youth clubs and playschemes, helping with fundraising, and reception duties. We are greatly indebted to them for their commitment and support.

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee and is governed by Articles of Association.

Membership

Under the Articles of Association, the trustees are the only members of the charity. There is provision for additional categories of member to be created. There may be up to 12 members who are the directors of the company and who are also charity trustees for the purposes of charity law. They are set out on page 1. All directors are volunteers and are not remunerated for their services. Directors are drawn from a variety of backgrounds and include relatives of service users. All are DBS checked at the enhanced level. Trustees serve a term of 4 years after which they stand down. They may be reappointed for a further two terms of 4 years. New trustees are given an induction pack and are invited to attend briefings/induction meetings where they are given an overview of the work of the charity and their duties and responsibilities are clarified. Further training for trustees is arranged as appropriate. Trustees sign up to a Code of Conduct setting out the standards and commitments expected of them.

Trustees meet on a regular basis throughout the year, with a minimum of 4 full Board meetings every year. They are responsible for setting the charity's strategic goals, budgets and policies and procedures.

Organisational structure

Under the Articles of Association, the charity operates a governance and management model with day-to-day decisions delegated to the chief executive officer and in turn the managers of each department. The line management of the chief executive officer is delegated to one of the trustees, usually the Chair. The trustees may delegate any of their powers or functions to committees which must contain two or more directors. The terms of any delegation must be recorded in the minute book and the directors may impose conditions when delegating powers or functions. Such committees are fully answerable to the full Board.

Leeds Mencap

Report of the trustees for the year ended 30 September 2023 (continued)

During the year the trustees worked through three sub committees:

- Finance, Risk and Audit sub-committee
- Strategy, Development and Monitoring sub-committee
- Fundraising, Marketing and Communications sub-committee

Trustees are expected to be an active member of one sub-committee in addition to attending quarterly Board meetings.

Affiliations

Leeds Mencap is affiliated to Royal Mencap Society and has a written partnership agreement and licence to operate under the Mencap brand. The requirements of affiliation are to work according to the values of Royal Mencap Society and to work in a constructive way as a member of the wider network of local Mencap groups to support people with learning disabilities.

Risk Management

The trustees monitor the major risk areas including governance, financial, operational, reputational, and environmental risks. As a minimum the risk register is reviewed on a quarterly basis. We aim to spread the risk associated with income by developing a range of income sources. We are currently funded through a combination of contracted work, funding from individuals, charitable trusts and companies, fundraising events and other income generation activities and continue to look to increase the number of sources of income. Strong financial controls are in place.

Key risks include:

Safeguarding – As an organisation working with children, young people and adults at risk, trustees prioritise scrutiny of practice around safeguarding. Trustees receive reports on any incidents as a standing item at their meetings. The trustee safeguarding lead has regular meetings with the designated safeguarding lead and, as appropriate, other named people for safeguarding. Officers complete a self-evaluation exercise against West Yorkshire safeguarding protocols leading to an action plan for improvement which is shared with the lead trustee for safeguarding. Safer recruitment is practised, all staff and volunteers have appropriate DBS checks, staff induction includes briefing on safeguarding policy and procedures, staff and volunteers attend safeguarding training. The trustees consider a review of safeguarding practice on an annual basis.

Compliance – Leeds Mencap's work is regulated by several bodies including the Charity Commission, Companies House, Information Commissioner and Ofsted. Trustees ensure compliance with regulatory requirements through commissioning specialist advice when appropriate eg, tax advice and employment law advice,

Leeds Mencap

Report of the trustees for the year ended 30 September 2023 (continued)

quarterly monitoring through management reporting, and annual audits by external bodies for example on health and safety.

Liquidity – The trustees consider a cashflow forecast on a quarterly basis and work to an annual budget against which performance is reviewed monthly. Credit control management is also considered monthly by management and quarterly by trustees through management reporting.

Remuneration

The directors, who are the charity's trustees and the senior management team comprise the key management personnel of the charity. Details of directors' expenses and related party transactions are disclosed in notes 10 and 18 to the financial statements. Remuneration for key management roles is benchmarked with other local organisations of a similar size. The trustees approve an annual uplift based upon the financial outlook for the next financial year.

Financial Review

Summary

Income for the year was £1,074,208 (2022: £1,002,426), an increase of 7.16% (2022: 2.51% decrease). Unrestricted income, moreover, increased by 13.74% to £910,651 (2022: £800,627) due in large part to room hire business recovering after the pandemic and more fundraising activity.

Expenditure for the year was £1,058,345 (2022: £1,030,559) which represents an increase of 2.70% (2022: 2.49%). The principal reason being an increase in staffing costs.

The outcome for the year across all funds was a surplus of £15,863 (2022: £28,133 deficit). On unrestricted funds, however, which excludes the balance of restricted funds being carried forward and the application of capital grants and, therefore, better represents in-year performance there was a deficit of £24,008 (2022: £20,489) or 2.64% of in-year unrestricted income (2022: 2.56%). This indicates a roughly similar position despite the reduction in activity funded by restricted funds.

Net current assets at 30 September had decreased by £27.7k to £412,661 (2022: £440,331) over the year. The closing cash balance had increased by £63.3k to £379,564 (2022: £316,281) but, when cash investments are included, there was an effective reduction of £19.9k. The trustees assess that this is sufficient resource to provide time to pursue a strategy to deliver a sustainable long-term future.

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Report of the trustees for the year ended 30 September 2023 (continued)

Principal funding sources

The charity's principal funders in the period were Leeds City Council (Shortbreaks Partnership) for the playschemes, and youth clubs, Leeds City Council for the Education Healthcare Plan writing contract and a number of charities and trusts. The largest charitable funders were Comic Relief, Leeds Community Foundation, West Riding Masonic Charities Ltd, Wolfson Foundation, Liz & Terry Bramall Foundation and the Big Lottery. 20 other trusts and foundations (detailed in note 2), and a number of companies and individuals also provided essential grants and donations towards services and equipment. One legacy of £16.7k was received. Jimbo's community nursery received significant Free Early Education Entitlement funding via Leeds City Council in addition to private fees.

Investment Policy

As at 30 September 2023 the charity's net current assets were £412,661. The trustees' investment policy is that short-term investments will be held in cash or near cash investments and medium-term investments will be in multi-asset common investment funds. Funds will be transferred to medium term investments as allowed by the potential demand for working capital whilst we achieve sustainability. Given current projections and market volatility, £170k was held in two one-year fixed terms bonds during most of the year. At the balance sheet date one bond had matured and not been reinvested.

Reserves policy

As at 30 September 2023 the charity had total funds of £2,018,161, of which £25,882 was restricted. Unrestricted funds, therefore, totalled £1,992,279 and of this £1,578,923 was designated as a property fund, being the tangible fixed asset value of the Vinery Centre less the loan secured against it. Unrestricted and undesignated funds were £413,356, but of this £26,577 represented functional fixed assets leaving free reserves of £386,779. The long-term liability of the loan represents 12.5% of the carrying value of the land and buildings of the Vinery Centre, against which it is secured and designated.

The trustees have reviewed the reserves policy in the context of the financial challenges experienced during the year and yet to be faced over the next years as the strategy to achieve a sustainable future is implemented in volatile economic circumstances. The trustees have resolved to maintain reserves at a minimum level of three months operating costs, which is £257,000 based on the 2023/24 budget. This is the level required to maintain short-term liquidity against assured future income, or to meet specific and limited contingent liabilities, for the organisation when operating in a steady state. The charity's current reserves exceed the minimum level by £130k but the trustees consider this necessary to fund the future costs of the recovery strategy and any losses incurred during its implementation.

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Report of the trustees for the year ended 30 September 2023 (continued)

Future Plans

Our plans for 2023-25 are focused on developing and implementing our three Strategic Aims.

We aim to make progress towards our Strategic Aims as follows:

Strategic Aim 1: Integrated service provision

- Maintain existing services
- Develop a clear integrated support offer including Information, Guidance and Advice.
- Define and develop services for transition to adulthood.
- Define and develop services for emotional wellbeing.
- Provide a regular parent training offer.
- Build improved relationships with partner organisations.
- Explore opportunities for joint projects.
- Explore opportunities for a joint funded bid with other charities/statutory partners.
- Maintain provision of both community nursery and specialist nursery care for 3 years +.
- Increase provision for 0-2 with special needs.

Strategic Aim 2: Ensure sustainability

- Develop and improve HR systems and processes.
- Ensure access to training and development opportunities.
- Maintain in-line with inflation funding.
- Widen diversity of income streams.
- Access 2 longer term income streams.
- Develop a contingency plan to be used should income drop.
- Develop and embed an impact measurement system.
- Improve routine data collection and analysis.
- Embed the new IT system and ensure it supports service delivery, impact assessment and good governance including easy access to policies and procedures.
- Ensure systems in place to support inclusive trustee recruitment, skills and succession planning.
- Annual governance and legal requirements audit in place.

Leeds Mencap

Report of the trustees for the year ended 30 September 2023 (continued)

Strategic Aim 3: Be open to everyone and open to change

- Establish systems to capture the views of children and families with lived experience.
- Provide monthly feedback meetings with children and families who use our services.
- Promote Leeds Mencap as a specialist service with staff with specialist skills.
- Develop staff groups to discuss ideas and issues across services and workstreams.
- Appraisal and development meetings to encourage the sharing of new ideas.
- Opportunities for staff to attend external networks or training events created.
- Review, refresh and embed values so visible to all on the website and in the centre.
- Involve staff at all levels in planning new ways of working.
- Equality, Diversity and Inclusion (EDI) training and development opportunities in place for all staff.
- EDI principles are clearly visible in all aspects of the organisation.
- Monitoring is consistent across staff and users.
- Board and CEO is seen to lead the EDI agenda.

Statement of the responsibilities of the trustees

Company law requires the Board to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the surplus or deficit of the Company for that period.

In preparing those financial statements the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Report of the trustees for the year ended 30 September 2023 (continued)

Statement of disclosure to the auditor

The trustees of the company who held office at the date of approval of this annual report confirm that:

- so far as they are aware, there is no relevant audit information, information needed by the company's auditors in connection with preparing their report, of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of this information.

Auditors

HPH Accountants LLP were appointed auditor to the charitable company following a competitive process in July 2022 and have indicated their willingness to stand for reappointment at the Annual General Meeting.

Small Company Rules

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. It was approved by the board of trustees and signed on its behalf.

Dr Lesley Hewson OBE
Chair

Date: 5 June 2024

Leeds Mencap

Independent Auditors' Report to the Members of Leeds Mencap

Opinion

We have audited the financial statements of Leeds Mencap for the year ended 30 September 2023 which comprises the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 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's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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Independent Auditors' Report to the Members of Leeds Mencap (continued)

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or

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Independent Auditors' Report to the Members of Leeds Mencap (continued)

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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Independent Auditors' Report to the Members of Leeds Mencap (continued)

- We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities Statement of Recommended Practice (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.
- In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. The laws and regulations we considered in this context were Childcare Act 2006, Health and Safety legislation, Employment legislation, Charity Commission regulations and General Data Protection Regulation (GDPR).
- Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.
- We also considered the opportunities and incentives that may exist within the charitable company for fraud.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and income recognition.

In response to the risk of irregularities and non-compliance with laws and regulations and risk of fraud, we designed procedures which included but were not limited to: sample testing on the posting of journals, timing and recognition of income, review of trustee's minutes and any correspondence with regulators.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion, or the provision of intentional misrepresentations. We are not responsible for preventing fraud and cannot be expected to detect all fraud.

Leeds Mencap

Independent Auditors' Report to the Members of Leeds Mencap (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Wearing (Senior Statutory Auditor)

For and on behalf of HPH, Statutory Auditor
54 Bootham
York
YO30 7XZ

Leeds Mencap

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 30 September 2023

		<u>For the year ended 30 September 2023</u>			<u>For the year ended 30 September 2022</u>		
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Income							
Grants, donations and legacies	2	44,770	163,557	208,327	55,702	185,894	241,596
Charitable activities	3	713,428	-	713,428	654,097	15,905	670,002
Other activities	4	148,916	-	148,916	90,828	-	90,828
Investment income	5	3,537	-	3,537	-	-	-
Total income		910,651	163,557	1,074,208	800,627	201,799	1,002,426
Expenditure							
Raising funds	6	63,671	-	63,671	67,948	-	67,948
Charitable activities	7	870,988	123,686	994,674	753,168	209,443	962,611
Total expenditure		934,659	123,686	1,058,345	821,116	209,443	1,030,559
Net income/(expenditure) for the year before transfers	9	(24,008)	39,871	15,863	(20,489)	(7,644)	(28,133)
Transfers between funds		60,320	(60,320)	-	-	-	-
Net movement in funds		36,312	(20,449)	15,863	(20,489)	(7,644)	(28,133)
Reconciliation of funds							
Total funds brought forward	16	1,955,967	46,331	2,002,298	1,976,456	53,975	2,030,431
Total funds carried forward	16	1,992,279	25,882	2,018,161	1,955,967	46,331	2,002,298

- All activities derive from continuing operations.
- The notes on pages 23 to 41 form part of these financial statements.
- The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006.
- The statement of financial activities includes all gains and losses recognised in the year.

Leeds Mencap

Balance Sheet as at 30 September 2023

		30 September 2023		30 September 2022	
	Note	£	£	£	£
Fixed assets					
Tangible assets	11		1,831,833		1,818,818
Current assets					
Debtors	12	60,437		35,308	
Investments		86,831		170,000	
Cash at bank and in hand		379,564		316,281	
		526,832		521,589	
Creditors: Amounts falling due within one year	13	(114,171)		(81,258)	
Net current assets			412,661		440,331
Total assets less current liabilities			2,244,494		2,259,149
Creditors: Amounts falling due after more than one year	14		(226,333)		(256,851)
Total net assets			2,018,161		2,002,298
Funds:					
Restricted funds	15		25,882		46,331
Unrestricted funds					
General funds	15	413,356		423,218	
Designated funds	15	1,578,923		1,532,749	
Total unrestricted funds			1,992,279		1,955,967
Total funds	15		2,018,161		2,002,298

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and were approved by the Board on 5 June 2024 and signed on its behalf.

Dr Lesley Hewson OBE
Director/Chair

Company registration number 04332965

Leeds Mencap

Statement of Cash Flows for the year ended 30 September 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	71,938	(26,584)
Cash flows from investing activities			
Interest income		3,537	-
Purchase of property, plant and equipment		(63,366)	(5,542)
Proceeds from sale of investments		83,169	-
Purchase of investments		-	(170,000)
Net cash provided by/(used in) investing activities		23,340	(175,542)
Cash flows from financing activities			
Repayment of borrowings		(31,995)	(35,178)
Net cash (used in) financing activities		(31,995)	(35,178)
Change in cash and cash equivalents in the year		63,283	(237,304)
Cash and cash equivalents at the beginning of the year		316,281	553,585
Cash and cash equivalents at the end of the year		379,564	316,281

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

Company Information

Leeds Mencap is a Company Limited by Guarantee and is also a registered charity. The registered office is 20 Vinery Terrace, East End Park, Leeds, LS9 9LU.

Each member of the company has undertaken to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Functional currency

The financial statements are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Leeds Mencap meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern

The charity reported an outflow of cash of £19,886, net of cash investments, in the year to September 2023. The trustees recognise that the charity's ongoing activities operate at a deficit and will erode the organisation's cash position over time. The trustees have set in place a recovery strategy, which is discussed on page 12 of the trustees' annual report, to improve the efficiency and sustainability of the charity.

The trustees have prepared financial projections, taking into consideration a prudent view of the strategic review actions, the continued cash requirements of ongoing activities until sustainability is reached and the current economic climate. This gives assurance that adequate financial resources are available to enable the charity to continue in operational existence for the foreseeable future.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

Consequently the financial statements have been prepared on the basis that the charity is a going concern.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

- Donations and legacies, which include grants, are included in the Statement of Financial Activities (SoFA) when it is probable that the funds will be received and that they can be measured with sufficient reliability.
- Grants, including grants for the purchase of fixed assets, are recognised in full in the SoFA in the period in which they are receivable.
- The value of services provided by volunteers is not included.
- Trading and investment income is accounted for on an accruals basis.
- Where income is received specifically for expenditure in a future accounting period that amount is deferred.

Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered:

- 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 directly allocated to such activities and those costs of an indirect nature necessary to support them.
- Support costs comprise all non-attributable costs including Finance, Human Resources, Information Technology and Administration. These costs have been allocated across activities either directly or based on usage as set out in note 8.

Staff costs

The costs of short-term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period. Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pension costs

The charity operates a defined contribution scheme for its employees. Contributions are charged as an expense to the SoFA in the period in which they fall due.

Fund accounting

Funds held by the charity are either:

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

General funds: Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds: Designated funds are unrestricted funds which have been set aside by the executive committee for a specific purpose.

Restricted funds: Restricted funds are to be used for specific purposes as laid down by the donor or through the terms of an appeal. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Operating leases

The charity classifies the lease of printing equipment as operating leases; the title to the equipment remains with the lessor. Rentals are charged on a straight line basis over the term of the lease. (There were no continuing leases at the end of the year)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at the following annual rates in order to write off fixed assets, less their residual value, over their estimated useful lives:

Plant and equipment	20% reducing balance
Office equipment	15% reducing balance
Motor vehicles	25% reducing balance
Freehold buildings	2% straight line

Individual tangible assets are capitalised if costing in excess of £1,000.

Freehold land is not depreciated.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Current asset investments

Current asset investments are cash deposits with maturity dates longer than three months but not greater than one year. Their value is measured at cost which, by definition, is also their redemption value and interest is recognised when receivable.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Any bank overdrafts are shown within borrowings in current liabilities.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. Any impairment loss is recognised in the income and expenditure account.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Creditors, loans and provisions

Creditors, loans and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the charity's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

The trustees have judged that the following estimates or assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

Freehold property valuations

The freehold property held by the charity was revalued during the period to 30 September 2018 as disclosed in note 11 to the financial statements.

The Vinery Centre was revalued in the period to 30 September 2018. Given that there is no intention to sell and its specialist nature, having being designed and built specifically for the charity, market value is not considered an appropriate valuation basis. Accordingly the land was valued at historic cost and the building revalued downward to its depreciated replacement value. Depreciation on the freehold building has been charged in the year to 30 September 2023.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

2. Grants, donations and legacies

	Unrestricted funds	Restricted funds	2023 Total	Unrestricted funds	Restricted funds	2022 Total
	£	£	£	£	£	£
Donations	16,908	68	16,976	16,193	15,259	31,452
Legacies	16,667	-	16,667	21,323	-	21,323
Donations through event fundraising	10,445	-	10,445	11,736	-	11,736
Grants:						-
Asda Foundation	-	-	-	-	825	825
Big Lottery Fund	-	10,000	10,000	-	-	-
Charles Brotherton Trust	-	175	175	-	175	175
Children in need	500	-	500	-	9,986	9,986
Comic Relief	-	20,064	20,064	-	71,221	71,221
David Family Foundation	-	3,000	3,000	-	-	-
Douglas Arter Foundation	-	500	500	-	-	-
Groundwork UK	-	1,031	1,031	-	-	-
Happy Days Children's Charity	-	790	790	-	-	-
John R Murray Charitable Trust	-	5,000	5,000	-	-	-
Leeds Civic Trust	-	-	-	450	-	450
Leeds Community Foundation	-	20,665	20,665	-	27,948	27,948
Liz & Terry Bramall Foundation	-	10,000	10,000	-	-	-
Marsh Charities	250	-	250	-	-	-
RMS/Sport England	-	-	-	-	6,640	6,640
Rotary Club of Leeds	-	5,936	5,936	-	16,380	16,380
Samuel Storey Tust	-	-	-	-	200	200
Screwfix Foundation	-	5,000	5,000	-	-	-
Sir George Martin Trust	-	3,000	3,000	-	-	-
Sir Jules Thorn Trust	-	3,000	3,000	-	-	-
Sovereign Health Care	-	-	-	-	2,000	2,000
Stella Symons Charitable Trust	-	250	250	-	-	-
The Calmcott Trust	-	-	-	-	1,000	1,000
The Charles & Elsie Sykes Trust	-	-	-	1,000	-	1,000
The Co-operative Foundation	-	1,766	1,766	-	1,576	1,576
The David Solomons Charitable Trust	-	1,000	1,000	-	-	-
The George A Moore Foundation	-	2,500	2,500	-	-	-
The Kaye Charity	-	2,250	2,250	-	-	-
The Mollie Croysdale Trust	-	-	-	-	1,000	1,000
The Morrisons Foundation	-	-	-	-	22,384	22,384
The Percy Bilton Charity	-	743	743	-	-	-
Vickers Staff Charitable Fund	-	-	-	5,000	-	5,000
Voluntary Action Leeds	-	-	-	-	8,300	8,300
Wades Charity	-	3,000	3,000	-	-	-
West Riding Masonic Charities Ltd	-	24,819	24,819	-	-	-
Windmill Community Transport	-	1,000	1,000	-	1,000	1,000
Wolfson Foundation	-	38,000	38,000	-	-	-
	44,770	163,557	208,327	55,702	185,894	241,596

The charity benefits greatly from the involvement and enthusiastic support of a number of volunteers. In accordance with FRS 102 the economic contribution of volunteers is not recognised in the financial statements.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2023 Total £	Unrestricted funds £	Restricted funds £	2022 Total £
Contracts	582,993	-	582,993	456,108	15,905	472,013
Other fees and charges	130,435	-	130,435	197,989	-	197,989
	713,428	-	713,428	654,097	15,905	670,002

4. Other activities

	Unrestricted funds £	Restricted funds £	2023 Total £	Unrestricted funds £	Restricted funds £	2022 Total £
Fundraising activities	24,966	-	24,966	5,219	-	5,219
Licence income/other grant	2,823	-	2,823	2,915	-	2,915
Rent receivable	121,127	-	121,127	82,694	-	82,694
	148,916	-	148,916	90,828	-	90,828

5. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2023 Total £	Unrestricted funds £	Restricted funds £	2022 Total £
Interest bearing deposit accounts	3,537	-	3,537	-	-	-
	3,537	-	3,537	-	-	-

6. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2023 Total £	Unrestricted funds £	Restricted funds £	2022 Total £
Expenditure on raising funds (direct)	47,037	-	47,037	51,638	-	51,638
Support costs (Note 8)	16,634	-	16,634	16,310	-	16,310
	63,671	-	63,671	67,948	-	67,948

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

7. Expenditure on charitable activities

	Family support	Early Years/ Childcare	General and other activities	Total 2023
	£	£	£	£
Costs directly allocated to activities:				
Activities	16,453	46,501	(18,066)	44,888
Wages and related costs	169,020	372,337	55,613	596,970
Establishment expenses	3,306	918	31,700	35,924
Administrative expenses	934	2,817	9,523	13,274
Support costs (Note 8)	60,187	171,354	72,077	303,618
	249,900	593,927	150,847	994,674

Charitable Activities - 2022

	Family support	Early Years/ Childcare	General and other	Total 2022
	£	£	£	£
Costs directly allocated to activities:				
Activities	14,948	59,604	17,660	92,212
Wages and related costs	161,537	352,596	56,305	570,438
Establishment expenses	4,083	1,212	24,654	29,949
Administrative expenses	2,916	2,841	5,637	11,394
Support costs (Note 8)	50,627	144,665	63,326	258,618
	234,111	560,918	167,582	962,611

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

8. Analysis of support costs

Allocation of costs	Basis of allocation	General support £	Governance £	Total 2023 £
Administrative expenses	Time	55,011	6,086	61,097
Management expenses	Time	125,604	-	125,604
Establishment expenses	Floor area	133,551	-	133,551
		314,166	6,086	320,252

Apportionment of costs	Raising funds £	Charitable activities £	Total 2023 £
Support costs	16,634	303,618	320,252
	16,634	303,618	320,252

Analysis of support costs - 2022

Allocation of costs	Basis of allocation	General support £	Governance £	Total 2022 £
Administrative expenses	Time	48,918	5,540	54,458
Management expenses	Time	103,361	-	103,361
Establishment expenses	Floor area	117,109	-	117,109
		269,388	5,540	274,928

Apportionment of costs	Raising funds £	Charitable activities £	Total 2022 £
Support costs	16,310	258,618	274,928
	16,310	258,618	274,928

Support costs include, categorised as management expenses, bank loan interest of £17,994 (2022: £10,096).

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

9. Net (expenditure) for the year

This is stated after charging:	2023	2022
	£	£
Auditors' remuneration:		
Audit services	4,565	4,150
Depreciation of tangible fixed assets	50,351	38,776

10. Employees and trustees

The average monthly number of employees during the year was as follows:

	2023	2022
	Number	Number
Fundraising	2	2
Charitable activities	55	56
Governance	3	3
	60	61

The average number of employees, on a full-time equivalent basis, during the year was as follows:

	2023	2022
	Number	Number
	FTE	FTE
Fundraising	2	2
Charitable activities	43	39
Governance	3	2
	48	43

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	739,168	697,946
Employer's NI	41,349	38,951
Pension costs	12,556	11,734
	793,073	748,631

No employee earned £60,000 or more per annum during the year (2022: no employee).

None of the trustees received remuneration or benefits for their services during the year (2022: no trustee). No expenses were reimbursed to trustees (2022: £143).

The key management personnel of Leeds Mencap are the Trustees, the Chief Executive, the Finance Manager and the Family Services Manager. The total employee benefits of the key management personnel of the charity for the year were £126,982 (2022: £109,711).

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

11. Tangible fixed assets

	Freehold land and buildings £	Plant and Equipment £	Office equipment £	Total £
Cost or valuation				
At 1 October 2022	1,920,000	49,446	53,478	2,022,924
Additions	-	63,366	-	63,366
Disposals	-	-	-	-
Revaluations	-	-	-	-
At 30 September 2023	1,920,000	112,812	53,478	2,086,290
Depreciation and impairments				
At 1 October 2022	130,400	35,576	38,130	204,106
Disposals	-	-	-	-
Depreciation	32,600	15,448	2,303	50,351
Impairment	-	-	-	-
At 30 September 2023	163,000	51,024	40,433	254,457
Net book values				
At 30 September 2022	1,789,600	13,870	15,348	1,818,818
At 30 September 2023	1,757,000	61,788	13,045	1,831,833

The Vinery Centre was revalued on the basis of depreciated replacement cost as of 30 September 2018. Following a professional appraisal of the property and after careful analysis of the construction costs incurred in 2016, the replacement cost was determined to be £1,920,000 compared to a book value of £2,414,278 and an impairment was recognised in the period to September 2018. Depreciation on the freehold building has been charged in the subsequent accounting periods.

Had the Vinery Centre freehold land and buildings not been revalued, the carrying value at 30 September 2023 under the historical cost method would have been £2,190,668

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

12. Debtors

	2023 £	2022 £
Trade debtors	51,448	23,317
Prepayments and accrued income	8,989	11,991
Other debtors	-	-
	60,437	35,308

13. Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	33,541	35,018
Trade creditors	10,731	11,420
Taxation and social security	13,925	11,047
Other creditors	5,348	3,673
Accruals	33,124	19,830
Deferred income (note 13A)	17,502	270
	114,171	81,258

13A. Deferred income

	2023 £	2022 £
At 1 October 2022	270	14,442
Amount released to income	(270)	(14,442)
Amount deferred in the period	17,502	270
At 30 September 2023	17,502	270

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

14. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Secured bank loan (falling due in less than 2 years)	36,235	36,216
Secured bank loan (falling due between 2 and 5 years)	190,098	220,635
	226,333	256,851

The bank loan is provided by Barclays Bank plc and is secured by a first legal charge over land at The Vinery Centre, 20 Vinery Terrace, Leeds. Interest is charged monthly at 2.5% over the Bank of England base rate. The term is 5 years, although repayments are calculated on the basis of a 10 year repayment profile. The bank agreed a capital repayment holiday of 12 months from 18 December 2019, meaning the first repayment was made in January 2021; whilst the loan was interest only, the charity settled interest costs as they fell due.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

15. Movement in funds

	Balance at 1 October 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 30 September 2023 £
Restricted funds:						
Hawthorn Fund						
Rotary Club of Leeds	-	6,004	(6,004)	-	-	-
Other	-	18,493	(18,493)	-	-	-
Family Support						
Comic Relief	13,692	20,064	(29,444)	-	-	4,312
WR Masonic Charities	-	24,819	(12,409)	-	-	12,410
Other	871	15,766	(13,267)	-	-	3,370
Childcare						
Morrison's Foundation	22,384	-	(64)	(22,320)	-	-
Other	-	20,665	(20,665)	-	-	-
Youth Activities						
Children in Need (Sibs)	9,384	-	(9,384)	-	-	-
Youth Clubs	-	14,746	(13,956)	-	-	790
Other						
Wolfson Foundation	-	38,000	-	(38,000)	-	-
Other	-	5,000	-	-	-	5,000
Total restricted funds at 30 September 2023	46,331	163,557	(123,686)	(60,320)	-	25,882
Unrestricted funds:						
Designated funds						
Vinery Centre - Property	1,532,749	-	(44,664)	90,838	-	1,578,923
	1,532,749	-	(44,664)	90,838	-	1,578,923
General funds	423,218	910,651	(889,995)	(30,518)	-	413,356
Total unrestricted funds at 30 September 2023	1,955,967	910,651	(934,659)	60,320	-	1,992,279

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Notes to the Financial Statements for the year ended 30 September 2023 (continued)

Movement in funds - 2022

	Balance at 1 October 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 30 September 2022 £
Restricted funds:						
Hawthorn Fund						
LCF (Jimbo's fund)	10,513	-	(10,513)	-	-	-
Rotary Club of Leeds	-	16,380	(16,380)	-	-	-
Other	-	3,000	(3,000)	-	-	-
Family Support						
Comic Relief	(6,341)	71,221	(51,188)	-	-	13,692
Other	17,150	8,216	(24,495)	-	-	871
Childcare						
Morrisons Foundation						
Other	-	44,032	(44,032)	-	-	-
Youth Activities						
Children in Need (Sibs)	10,153	9,986	(10,755)	-	-	9,384
Youth Clubs	-	2,375	(2,375)	-	-	-
Community Hub Project/Other						
Leeds City Council	22,500	-	(22,500)	-	-	-
Other	-	24,205	(24,205)	-	-	-
Total restricted funds at 30 September 2022	53,975	201,799	(209,443)	-	-	46,331
Unrestricted funds:						
Designated funds						
Vinery Centre - Property	1,531,135	-	1,614	-	-	1,532,749
Contingency reserve	250,000	-	-	(250,000)	-	-
	1,781,135	-	1,614	(250,000)	-	1,532,749
General funds	195,321	800,627	(822,730)	250,000	-	423,218
Total unrestricted funds at 30 September 2022	1,976,456	800,627	(821,116)	-	-	1,955,967

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

Purpose of restricted funds:

Hawthorn Fund:	Funds to be used for staffing, running and equipment costs of the specialist playroom for young children with a learning disability, or for specialist support to children with learning disabilities or development delay in the community nursery, and the costs of providing support to their families.
Family Support:	Funds to be used for the staffing, running and equipment costs of support services provided to parents and carers of people with learning disabilities and their wider families.
Childcare:	Funds specifically for Jimbo's Community Nursery, operated by Leeds Mencap.
Youth Activities:	Funds for staffing, running and equipment costs for our different clubs and activities for children and young people with learning disabilities or their siblings.
Other	Funds received for capital works. The Wolfson Foundation grant was for the installation of solar panels: on completion of the work it was transferred to the designated Vinery Centre property fund to fund current and future depreciation.
Community Hub Project/other	Funds for staffing and running the Hub Project, in partnership with other community organisations in the Burmantofts & Richmond Hill area of East Leeds, in response to needs presented by the Covid-19 pandemic.

Purpose of designated (unrestricted) funds:

Property Funds:	The Vinery Centre is the charity's principal functional fixed asset. The designated fund is maintained at a value equivalent to the net book value of the Vinery Centre land and buildings, less the long term liability value of the bank loan secured against it. Much of the fund was sourced through restricted grants and donations, the application of which, in the acquisition of the Centre, discharged the restrictions. The expenditure allocated to this fund is the annual depreciation charge.
Contingency reserve:	The trustees designated this fund from the proceeds of the sale of the Rookery in October 2019 as a backstop reserve to support the organisation's journey to sustainability. It was released in 2022, following a review of the Reserves Policy, and now forms part of the free reserves held by the charity.

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Notes to the Financial Statements for the year ended 30 September 2023 (continued)

16. Analysis of net assets by fund

As at 30 September 2023	Tangible fixed assets	Net current assets	Long term liabilities	Total
	£	£	£	£
Restricted funds:	-	25,882	-	25,882
Unrestricted funds:				
General	26,577	386,779	-	413,356
Designated	1,805,256	-	(226,333)	1,578,923
	1,831,833	412,661	(226,333)	2,018,161

As at 30 September 2022	Tangible fixed assets	Net current assets	Long term liabilities	Total
	£	£	£	£
Restricted funds:	-	46,331	-	46,331
Unrestricted funds:				
General	29,218	394,000	-	423,218
Designated	1,789,600	-	(256,851)	1,532,749
	1,818,818	440,331	(256,851)	2,002,298

17. Taxation

Leeds Mencap is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

18. Related party transactions

During the year the charitable company paid £6,329 (2022- £nil) to Ison Harrison Ltd for professional services, a firm in which a trustee, Tim Burt, is a partner. As at 30 September 2023 there was £nil (2022 £nil) owing to Ison Harrison Ltd. Trustees' expenses are disclosed in note 10 to the financial statements. There are no other related party transactions to disclose in the financial statements.

Leeds Mencap

Notes to the Financial Statements for the year ended 30 September 2023 (continued)

19. Reconciliation of net movements in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	15,863	(28,133)
Add back depreciation	50,351	38,776
Deduct interest income shown in investing activities	(3,537)	-
(Increase)/Decrease in debtors	(25,129)	(11,891)
Increase/(Decrease) in creditors	34,390	(25,336)
	71,938	(26,584)

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	379,564	316,281
	379,564	316,281

21. Analysis of changes in net debt

	1 October 2022 £	Cashflows £	Other non- cash changes £	30 September 2023 £
Cash at bank and in hand	316,281	63,283	-	379,564
Bank loan falling due within 1 year	35,018	(31,995)	30,518	33,541
Secured bank loan (falling due in less than 5 years)	256,851	-	(30,518)	226,333
	608,150	31,288	-	639,438