

SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2020

COMPANY NUMBER: 04990720

CHARITY NUMBER: 1103691

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

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**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES

**FOR THE YEAR ENDED
31 DECEMBER 2020**

The trustees are pleased to present their annual trustees' report together with the audited Financial Statements of the charitable company for the year ending 31 December 2020, which 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name:	Southampton Mencap
Registered Charity Number:	1103691
Registered Company Number:	04990720
Registered Office and Operational Address:	187A Portswood Road Southampton SO17 2NF

TRUSTEE DIRECTORS

The trustees are the directors of the charitable company for the purpose of company law and are its trustees for the purpose of charity law.

The trustees who served the charitable company during the year and since the year end are as follows:

Jennifer Strevens	Chair		
Brian Strevens	Treasurer		
Diane Bernstein			
Daniel Mar-Molinero			
Heidi Oldrey			
Zulfigar Ali Sheikh		Died	March 2021
Lisa Stead			

COMPANY SECRETARY

Gail Baker

KEY AND SENIOR MANAGEMENT

Alexandra Iles

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
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OUR ADVISORS

Auditors: Abraham & Dobell
230 Shirley Road
Southampton
SO15 3HR

Bankers: HSBC plc
55 Above Bar Street
Southampton
SO14 7DZ

Investment Managers: M & G Investments
PO Box 9038
Chelmsford
CM99 2XF

OBJECTIVES AND ACTIVITIES

A small, local charity with big ambitions; specialising in truly relevant support and with clear objectives that focus on the needs of our users and their family carers.

Mission Statement

We believe that everyone with a learning disability should have the right to choice, opportunity and respect - whatever their age or disability. We also believe that support for the families of people with a learning disability is vital to achieving our vision.

The strategies employed to achieve the charity's objectives for the benefit of people with a learning disability and their family carers are to:

- Respond to needs of our client group in a flexible and appropriate manner and support them to have short breaks from each other.
- Deliver information which is timely, appropriate and up-to-date.
- Raise awareness to their rights by jointly working with others who share our goals in making a difference.
- Encourage participation of more people to get involved and have a say in the future planning of the charitable company.
- Represent views so that learning disability issues are taken into consideration at all levels.
- Support family carers by helping with the development of groups with similar goals to the charitable company.
- Provide more services by developing new activities which fill the gaps in provision.
- Raise funds to support our existing services and develop new initiatives.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

OBJECTIVES AND ACTIVITIES (CONTINUED)

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In shaping our objectives and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

Southampton Mencap exists to provide advice and practical support for our members, their families and carers and to campaign to ensure that their views are represented. We participate in strategic panels and partnerships within health, education and social care and are represented on the Learning Disability Partnership Board. Confidential, personal advice and support is given to carers either within the individual services or from members of the Mencap staff.

Practical support is given by the services we provide.

Social Activities

We provide social opportunities for both children and adults with learning disabilities which support friendships and relationships and in turn provide them and their family carers with regular short breaks from each other.

Mencap Clubs

Southampton Mencap funds leisure clubs for older members. These have delivered 51.5 hours in 17 sessions to 58 members from January to mid-March. The clubs then were suspended due to COVID-19.

FairPlay Clubs and Schemes

Southampton City Council funds the FairPlay Service through the 'Short Breaks' grant. This service provides holiday schemes and Saturday clubs for children and young people between the ages of 5 and 18.

The Saturday Clubs, Junior and Teen, normally operate for 4 hours each twice a month during term time. These each delivered 20 hours of support in 5 sessions to 13 members from January to mid-March. They re-opened in October to each deliver 5 sessions. The number of young people attending these sessions was quite low as parents were reluctant to send their children.

The holiday playschemes took place as usual in February with a total of 27 young people attending. They re-opened in the summer with the capacity reduced due to social distancing. 26 sessions were delivered, mainly to mixed age groups, between August and December. The average daily attendance was 9, with the highest attendance reached was in December when there was only 1 session for a mixed age group.

**SOUTHAMPTON MENCAP
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**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Day Time Activities

Mencap Day Services

The Day Services programme continues to develop with the focus on continued learning, healthy lifestyles and increasing independence. The activities in the Own2Feet group were expanded in January to include the gardening and maintenance group on a Thursday afternoon and Café Down the Lane as an optional module on Tuesdays.

40 people accessed the 4 different services between January and mid-March with several members attending more than one service. The service was suspended at the request of Southampton City Council from mid-March. It re-opened between September and December with a much reduced capacity. Social distancing, shielding and the fact that members could only attend one day service meant that the daily limit of 15 people was sufficient.

Portswood Learning Centre

Southampton Mencap received funding from Southampton City Council in July 2018 to deliver a mixture of OCR – accredited Work Skills theory based work as well as practical experience in the world of work to 32 people each year. This service stopped operating in February as the numbers attending had considerably reduced. The contract came to an end in June.

COVID-19

COVID-19 has affected all the building-based services.

The Southampton Mencap office has stayed open throughout the pandemic providing telephone help and support.

Since the start of the lockdown in March, the staff have worked hard to maintain contact with our members and their families. Activity packs were delivered to 60 service users from all parts of our service, day services and our clubs. The packs contained various weekly themes as well as crafts, challenges and physical activities. The packs were delivered by Southampton Mencap staff which enabled them to keep in contact with the members.

The staff also kept in touch by making weekly telephone calls to offer help and support.

Since the lockdown, many activities have been delivered by Zoom. Initially these were delivered to all service users, but this changed to just over 18s as there was little take-up from those under 18. The number of sessions delivered increased from 1 to 2 a day, continuing throughout the year to support those unable to attend when the services re-opened in September.

In June and July, a new walk and talk activity was piloted. This took place in the open air following social distancing and infection prevention control measures. The 2 hour sessions were made available to 12 of the day service users and staffed by 2 members of staff for 8 weeks.

**SOUTHAMPTON MENCAP
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**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
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ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

COVID-19 (Continued)

The playschemes operated 4 days a week throughout the summer. This involved fewer children than usual and using both sides of the building, the main hall and the café. The staff wore visors and there was a strict cleansing routine in place.

The building and car park were prepared - stickers, hand sanitisers and wipes and a short video was made to show service users what to expect when they returned to the day services. A detailed risk assessment had to be returned to the commissioners and the day services finally re-opened in mid-September.

Social Media

Many people were updated by reading 'Good News Blogs', posted on a weekly basis from March to July, a weekly News Bulletin, posted from September and 2 issues of Learning Disability News.

Website

A new website which links directly with Facebook was launched late in the year.

Services for Carers

Carers' Subgroup - This continues with the key purpose of providing carers of people with learning disabilities with regular updates on developments which impact on them or their loved ones. The group reports back to the Learning Disability Partnership Board where key issues and concerns are highlighted. The meetings are held as and when necessary but generally on a quarterly basis. During the pandemic a number of meetings took place via Zoom.

Learning Disability News

This publication provides relevant local and national news of interest to anyone affected by or with an interest in learning disability issues. A special COVID-19 edition was published in May.

Advice and Support

Giving advice, information and support has always been a priority for Southampton Mencap. The Mencap office stayed open throughout the pandemic providing help and support by phone.

Treat Me Well

This National Mencap campaign is now into its fourth year and is really beginning to impact by changing attitudes and raising awareness as well as introducing improved mandatory training for medical staff. The group met regularly via Zoom to talk about life during the pandemic and how they plan to influence hospitals and GP surgeries to improve the ways in which they deal with people with learning disabilities.

**SOUTHAMPTON MENCAP
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**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Volunteers

Volunteers continue to play a vital role in all that we do working in all areas of the organisation. The trustees have continued to give emailed support and are available to give specialist advice when required. There have been fewer opportunities for 'hands on' volunteering this year, but we have a total over 50 people willing to volunteer when required.

Carers in Southampton, (CiS)

Southampton Mencap is contracted to deliver the Carers in Southampton Service, CiS. The contract was awarded for 5 years. We are now in the third year.

The CiS service which is available to all carers over the age of 18 living in Southampton and includes those who do not recognise or choose to identify themselves as carers.

This year has been extremely difficult for those in a caring role and consequently very busy for the CiS team with most of the staff working from home. During the first lockdown in March 2020, 1,119 individual carers were contacted by staff for Keeping in Touch calls. Over 3,000 letters and emails were sent to carers on the database detailing the support available across the city. From March to December the service made 1,861 wellbeing/emotional calls to carers compared with 658 for the previous full year. This was supported by staff from Mencap.

The CiS staff have had regular team meetings on Zoom and have also participated in a range of virtual meetings with external bodies to represent CiS and the differing needs of carers.

There has been an emphasis on carers' assessments and reviews. Assessors have found that carers have been extremely lonely and isolated during the lockdowns and have needed more time to talk with many displaying poor mental health resulting in missed appointments and a clear lack of support. 312 carers assessment and support plans were completed; 164 carers had reviews.

Carers lunches took place in January and February with a total of over 100 attendees. The subject was 'Carers' Health', and the lunches were part of the Cancer Awareness work. The virtual Christmas lunch was attended by 18 people.

A review of the Carers' Strategy began in November with CiS coordinating much of the work of the Scrutiny Inquiry.

A grant from the Community Learning Team enabled a 15 'Life After Caring' sessions for bereaved carers. These sessions were particularly valuable during lockdown. The grant also covered 12 'Well Being' and 'Carers Information' sessions with an average attendance of 6.

**SOUTHAMPTON MENCAP
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**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Carers in Southampton, (CiS) (Continued)

During lockdown, the Carers' website has been especially useful. There were over 80,000 views with the highest percentage (11%) wanting support for accessing food shopping.

FINANCIAL REVIEW

In the year to 31 December 2020, the charitable company achieved a surplus of £56,572 (2019 - £59,932). This was decreased by an unrealised loss on the charitable company's investments of £19,350 (2019 - increase of £28,048). Overall, therefore, the charitable company achieved a net movement in funds surplus of £37,222 in the year to 31 December 2020 compared to £87,980 in the year to 31 December 2019.

Principal Funding Sources

All income received by the organisation is used solely for the benefit of local children, young people and adults with a learning disability and their families or carers.

Our principal source of funding is Southampton City Council.

The contract to fund 'Carers in Southampton' is now in its third year.

The FairPlay Service is funded through a grant from SCC and Hampshire County Council provide a grant for Hampshire children attending the service.

SCC funded the training for integrated skills and employment at the Portswood learning centre.

The Day Services are funded through Personal Budgets to the clients and paid either by Direct Payments to the clients or via SCC.

Since March 2020, SCC has continued to fund both the Day services and the Shorts Breaks based on those on the registers in February 2020. Service users receiving Direct payments have continued to pay for the service. Hampshire County Council and NHS have also continued to fund their clients. We are very grateful for this support.

During the lockdown were only able to furlough the staff who worked solely in the Mencap Clubs.

**SOUTHAMPTON MENCAP
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**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
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FINANCIAL REVIEW (CONTINUED)

Principal Funding Sources (Continued)

We received the following COVID-19 related payments:

- Job retention scheme - £1,649.
- Lottery, £4,988 for IT equipment.
- SGIT grant, via SVS, £4,307 for capital expenditure on IT for home working. This was matched funding and not all was spent in 2020.
- Police Commission - £500 for CiS.

We have also received a grant from the Adult Learning Skills Council.

Donations and fundraising from local organisations and individuals help with funding the other activities.

Investment Powers and Policy

The trustees have considered the most appropriate policy for investing funds and have found that deposit accounts and Charifund Unit Trust units meet their requirements.

Reserves Policy and Going Concern

The trustees have established a policy whereby the unrestricted funds, not committed or invested in tangible fixed assets held by the charitable company, should cover six months' of resources expended. At this level, the trustees feel they would be able to continue the current activities of the charitable company in the event of a significant drop in funding. The trustees are of the view that the charitable company is a going concern.

PLANS FOR FUTURE PERIODS

Planning for the future has never been more difficult. COVID-19 regulations have completely changed the face of the day services and short breaks programmes. We propose to totally re-open as soon as the new 'normal' is restored, hopefully in the Autumn of 2021. The first task will be to re-establish trust in our services and enable carers to have the confidence to allow their charges to return. Once the current ban on anyone attending more than one provision is lifted, we will need to advertise our service and ensure that we make this as appealing and diverse as possible. We are exploring a number of developments, possibly building on the experience of the pandemic and re-instating the 'Walk and Talk' and some of the Zoom sessions.

**SOUTHAMPTON MENCAP
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**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

PLANS FOR FUTURE PERIODS (CONTINUED)

The charitable company planners are currently modelling other possible developments. The establishment of an 'artisan hub' of practical opportunities from gardening to baking is currently under consideration.

We aim to re-open the CiS office as the main point of contact for carers, ensuring that the necessary safety measures are in place. It is hoped to re-establish Carers Lunches. The evidence shows that carers appreciate the chance to leave their homes and meet socially. It is also anticipated that CiS will be involved in the implementation of the new Carers Strategy, following the conclusion of the City Council Scrutiny Panel.

From May 2021 the charitable company will have to establish a working relationship with the new administration after the City Council elections.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Southampton Mencap is a charitable company limited by guarantee, incorporated on 10 December 2003 and registered as a charity on 11 May 2004. The charitable company, previously registered as Southampton Society for Mentally Handicapped Children and Adults, was established 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 charitable company winding up, each member is required to contribute £1.

Recruitment and Appointment of Trustees

The directors of the charitable company are also trustees for the purposes of charity law.

Owing to the specialised work of Southampton Mencap, a broad skill mix of trustees is sought. The core of the trustees has always been parents/carers of people with a learning disability supplemented by supporters from the wider community with a specific background that can contribute to the general good of the charitable company. We currently have such trustees with backgrounds in education, provision of social care and business and we are actively seeking trustees with financial and legal backgrounds. Individuals are approached with a view to the contribution they can make and then nominated for election at the annual general meeting.

Trustee Induction and Training

A programme of visits to Southampton Mencap activities and discussions with key staff and honorary officers is arranged for new recruits. They are introduced to policies and procedures of the charitable company and current guidance leaflets for trustees issued by the Charity Commission.

Risk Management

The trustees have conducted their own review of the major risks to which the charitable company is exposed and have established systems accordingly. These procedures are periodically reviewed to ensure they still meet the needs of the charitable company.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Organisational Structure

The board of trustees meets at least quarterly to monitor the progress of the charitable company against its plans and budgets. Its performance against key performance indicators is measured particularly in relation to contract specifications. To maintain feedback and participation from users, volunteers and staff, a number of specialist groups meet as necessary.

Related Parties and Co-operation with Other Organisations

Southampton Mencap is affiliated as an independent organisation to Royal Mencap Society which assists local societies by a network of county based staff. Southampton Mencap is an active partner in the Southampton Learning Disability Partnership Board and its implementation group.

Key Management and Personnel Remuneration

The directors consider the trustees of the charitable company and the senior management team comprise the key management personnel of the charitable company in charge of directing and controlling, running and operating the charitable company on a day to day basis. All directors give of their time freely and no director received remuneration in the year.

The pay of the senior staff is reviewed regularly by the trustees and any increments are dependent upon performance of the individual staff member concerned and the charitable company as a whole.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the charitable company trustees to prepare Financial Statements for each financial year. Under company law the trustees must not approve the Financial Statement unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these Financial Statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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 a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS
(CONTINUED)**

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

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

STATEMENT AS TO DISCLOSURE TO OUR AUDITOR

In so far as the trustees are aware at the time of approving our annual Report of the Trustees:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the charitable company's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

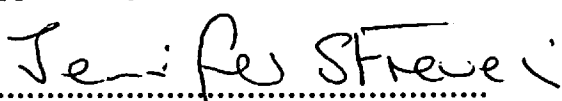
INDEPENDENT AUDITORS

Abraham & Dobell were re-appointed as the charitable company's Independent Auditor during the year and have expressed their willingness to continue in that capacity.

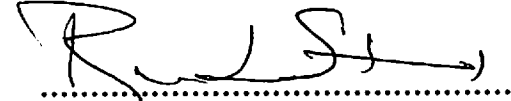
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption under the Companies Act 2006.

Approved by the Board of Trustees on 14 July 2021 and signed on its behalf by:



**MRS J STREVS
CHAIR**



**REV B L STREVS
TREASURER**

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED
31 DECEMBER 2020

OPINION

We have audited the Financial Statements of Southampton Mencap (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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 31 December 2020, 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.

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

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

**TO THE MEMBERS OF
SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED
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OTHER INFORMATION

The other information comprises the information included in the annual Report of the Trustees, other than the Financial Statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual Report of the Trustees. 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 course of 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 the audit:

- the information given in the Report of the Trustees (incorporating the directors' report) for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the 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.

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

**TO THE MEMBERS OF
SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED
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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION
(CONTINUED)**

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 returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 from the requirement to prepare a strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on pages 9 to 10 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.

**INDEPENDENT AUDITOR'S REPORT
(CONTINUED)**

**TO THE MEMBERS OF
SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**FOR THE YEAR ENDED
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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:

- Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the Financial Statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the Financial Statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the Financial Statements is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

USE OF THE AUDIT 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.

D J MANT



SENIOR STATUTORY AUDITOR

**230 Shirley Road
Southampton
SO15 3HR**

FOR AND ON BEHALF OF ABRAHAM & DOBELL

14 July 2021

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

	Note	Unrestricted Funds £	2020 Total Funds £	2019 Total Funds £
INCOME				
Donations and legacies	2	4,261	4,261	4,818
Charitable activities	3	663,932	663,932	698,009
Other trading activities	4	883	883	1,388
Investment income	5	30	30	65
TOTAL INCOME		669,106	669,106	704,280
EXPENDITURE				
Raising funds		216	216	255
Charitable activities	6	612,318	612,318	644,093
TOTAL EXPENDITURE		612,534	612,534	644,348
NET INCOME BEFORE NET GAINS ON INVESTMENTS		56,572	56,572	59,932
Net gains/(losses) on investments	13	(19,350)	(19,350)	28,048
NET INCOME FOR THE YEAR/NET MOVEMENT IN FUNDS FOR THE YEAR	8	37,222	37,222	87,980
RECONCILIATION OF FUNDS				
Total funds brought forward		906,238	906,238	818,258
Total funds carried forward		£943,460	£943,460	£906,238

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

All income and expenditure derives from continuing activities.

The notes on pages 19 to 34 form part of these Financial Statements

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	312,977	316,233
Investments	13	130,711	150,061
TOTAL FIXED ASSETS		443,688	466,294
CURRENT ASSETS			
Debtors	14	19,061	64,368
Cash at bank and in hand		541,605	412,872
TOTAL CURRENT ASSETS		560,666	477,240
LIABILITIES			
Creditors: Amounts falling due within one year	15	60,894	37,296
NET CURRENT ASSETS		499,772	439,944
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS	19	£943,460	£906,238
THE FUNDS OF THE CHARITABLE COMPANY	20		
Unrestricted income funds		943,460	906,238
TOTAL CHARITABLE COMPANY FUNDS		£943,460	£906,238

The trustees have prepared these Financial Statements in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

Approved by the trustees on 14 July 2021 and signed on their behalf by:

.....
MRS J STREVS
CHAIR

.....
REV B L STREVS
TREASURER

Registered Company Number: 04990720
The notes on pages 19 to 34 form part of these Financial Statements

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	25	133,656	33,033
		_____	_____
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(4,923)	-
		_____	_____
Net cash (used in) investing activities		(4,923)	-
		_____	_____
Change in cash and cash equivalents in the year		128,733	33,033
Cash and cash equivalents at the beginning of the year		412,872	379,839
		_____	_____
Cash and cash equivalents at the end of the year	26	£541,605	£412,872
		_____	_____

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

1. ACCOUNTING POLICIES

Charity Information

Southampton Mencap is a charitable company established under its Memorandum and Articles of Association and registered with the Charity Commission and Companies House in England and Wales. The principal address is 187A Portswood Road, Southampton, SO17 2NF. The charitable company is a public benefit entity.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £.

(b) Preparation of the Accounts on a Going Concern Basis

The trustees have prepared the Financial Statements on a going concern basis.

(c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in the Financial Statements.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Income from grants, where related to performance and specific deliverables, is accounted for as the charitable company earns the right to consideration by its performance.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT as the charitable company is not VAT registered and is reported as part of the expenditure to which it relates.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

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

Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, eg floor areas, per capita or estimated usage.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and includes the audit fees and costs linked to the strategic management of the charitable company.

(e) Operating Leases

The charitable company classifies the lease of property as an operating lease. The rental payments are charged to the Income and Expenditure Account when due.

(f) Fixed Assets

Tangible fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write-off the cost of each asset over its expected useful life as follows:

	Asset Life	Rate
Freehold land and buildings	50/10 years	2/10%
Office equipment	5 years	20%
Computer equipment	5 years	20%
Furniture	5 years	20%

Investments held as fixed assets are revalued at mid-market value at the Balance Sheet date and the gain or loss taken to the Statement of Financial Activities.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

(g) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

(h) 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 of three months or less from the date of acquisition or opening of the deposit or similar account.

(i) Creditors and Provisions

Creditors and provisions are recognised where the charitable company 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 and provisions are normally recognised at their settlement amount.

(j) Pensions

The charitable company does not operate its own pension scheme. Pension payments are contributed on behalf of members of staff who are enrolled in the NEST pension auto enrolment scheme.

(k) Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

(l) Donated Services

Donated services and facilities are included at the value to the charitable company where this can be quantified.

(m) Fund Accounting

Unrestricted funds are general funds available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Designated funds are unrestricted funds earmarked by the trustees from time to time for particular projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general funds when the designated fund is closed.

Restricted funds are subject to specific restrictions on their expenditure imposed by the donor or through the terms of an appeal.

The purpose and use of designated and restricted funds are set out in the notes to the Financial Statements.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

(n) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(o) Significant Judgements and Estimates

Preparation of the Financial Statements may require trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	2020 Total Funds £	2019 Total Funds £
Donations	1,684	1,684	4,165
Gift Aid	928	928	653
Grants - Job Retention Scheme	1,649	1,649	-
	<hr/> £4,261	<hr/> £4,261	<hr/> £4,818 <hr/>

In 2019 the donations and legacies received of £4,818 were unrestricted. There were no donated services and facilities receivable which could be quantified in the year (2019 - £nil).

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	2020 Total Funds £	2019 Total Funds £
Grants	8,316	8,316	7,559
Service provision	446,712	446,712	468,032
Parental contributions	8,875	8,875	22,279
Day services	199,123	199,123	195,019
Café	906	906	5,120
	<hr/>	<hr/>	<hr/>
	£663,932	£663,932	£698,009
	<hr/>	<hr/>	<hr/>

The charitable company has entered into service agreement contracts with government bodies and local authorities to provide the various services and specific deliverables that the charitable company provides.

The amounts received and the relevant bodies are listed below. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

	2020 £	2019 £
Southampton City Council	583,399	410,255
Hampshire County Council	2,891	-
NHS	6,422	14,976
Lottery	4,988	-
Community Action	-	6,358
Police Commission	500	-
	<hr/>	<hr/>
	£598,200	£431,589
	<hr/>	<hr/>

The grants shown above relate to payments received during the charitable company's year to 31 December 2020 but adjusted for any deferrals where the expenditure arising for that grant is being incurred in a subsequent year.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

3. CHARITABLE ACTIVITIES (CONTINUED)

The income received from charitable activities is split across the charitable company's key activities as follows:

	2020	2019
	£	£
Service provision and support	660,823	685,812
Leisure clubs	2,496	7,710
Café	613	4,487
	<hr/>	<hr/>
	£663,932	£698,009
	<hr/>	<hr/>

In 2019 the income from charitable activities of £698,009 was unrestricted.

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	2020 Total Funds £	2019 Total Funds £
Fundraising activities	£883	£883	£1,388
		<hr/>	

In 2019 the income received from other trading activities of £1,388 was unrestricted.

5. INVESTMENT INCOME

	Unrestricted Funds £	2020 Total Funds £	2019 Total Funds £
Interest on deposit accounts	30	30	65
		<hr/>	
	£30	£30	£65
		<hr/>	

In 2019 the investment income of £65 was unrestricted.

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Service Provision & Support £	Leisure Clubs £	Café £	2020 Total Funds £	2019 Total Funds £
Staff costs	369,482	8,625	3,680	381,787	416,932
Service provision	109,419	-	-	109,419	93,064
Publicity	2,202	-	60	2,262	2,619
Recruitment and training	2,447	-	-	2,447	5,696
Travel and transport	2,500	-	-	2,500	7,937
Volunteers' expenses	210	-	28	238	429
Activities	980	249	-	1,229	5,587
Ingredients	358	-	503	861	4,039
Resources	498	-	-	498	697
Bad debts	4,563	1,071	-	5,634	314
Support costs	77,211	28	79	77,318	75,583
Governance costs	28,125	-	-	28,125	31,196
Total	£597,995	£9,973	£4,350	£612,318	£644,093

The expenditure on charitable activities in 2020 of £612,318 (2019 - £644,093) were unrestricted funds.

SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

7. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the four key charitable activities undertaken (see note 6) in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support £	Governance Function £	Total £	Basis of Apportionment
Premises	23,475	1,236	24,711	Usage
General Office	30,086	1,583	31,669	Usage
Affiliation fee and licence	1,236	-	1,236	Transactions
Equipment and consumables	9,337	-	9,337	Usage
Bank charges	415	-	415	Transactions
Disclosure and barring service	40	-	40	Usage
Depreciation	7,770	409	8,179	Usage
Audit fee	-	3,840	3,840	Governance
Professional fees	4,959	-	4,959	Transactions
Staff costs	-	20,094	20,094	Governance
Publicity	-	399	399	Governance
Recruitment and training	-	432	432	Governance
Travel and transport	-	132	132	Governance
	£77,318	£28,125	£105,443	

8. NET INCOME FOR THE YEAR

This is stated after charging:

	2020 £	2019 £
Depreciation	8,179	8,522
Auditor's remuneration	3,840	3,804

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

**9. ANALYSIS OF STAFF COSTS, STAFF NUMBERS, TRUSTEE REMUNERATION
AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL**

Staff Costs

Staff costs were as follows:

	2020	2019
	£	£
Salaries and wages	370,218	406,106
Social Security costs	21,866	26,156
Pension costs (Auto Enrolment)	6,374	6,614
Redundancies	3,423	-
	<hr/>	<hr/>
	£401,881	£438,876
	<hr/>	<hr/>

No employee received emoluments of £60,000 or more in this year or the previous year.

Staff Numbers

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

	2020	2019
Service provision	8.1	9.5
Day services	3.7	4.7
Mencap clubs	1.0	1.0
Café	0.0	0.5
Governance	1.0	1.0
	<hr/>	<hr/>
	13.8	16.7
	<hr/>	<hr/>

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

**9. ANALYSIS OF STAFF COSTS, STAFF NUMBERS, TRUSTEE REMUNERATION
AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL
(CONTINUED)**

Volunteers

50 volunteers contributing hours of unpaid support has greatly enhanced the work of the company.

Trustees' Remuneration and Expenses

No remuneration was payable to any trustee in their role as trustee or to any persons known to be connected with any of them during the year (2019 - £nil).

During the year ended 31 December 2020, there were no payments for services provided in relation to other activities carried out on behalf of Southampton Mencap. (2019 - £nil)

No reimbursement of expenses has been made to any of the trustees in respect of the year (2019 - £nil).

Employee Benefits

The employee benefits of the key management personnel total £1,106 (2019 - £1,206).

Redundancies

During the year to 31 December 2020 there was one redundancy. There were no redundancies in the year to 31 December 2019.

10. RELATED PARTIES

Southampton Mencap is affiliated as an independent organisation to Royal Mencap Society, which assists local societies by a network of County based staff.

11. TAXATION

As a registered charity, Southampton Mencap is exempt from tax on income and gains under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

12. TANGIBLE FIXED ASSETS	Freehold				
	Land & Buildings	Office Equipment	Computer Equipment	Furniture	Total
	£	£	£	£	£
At Cost or Valuation					
At 1 January 2020	373,428	2,357	13,415	14,644	403,844
Additions	-	-	4,923	-	4,923
At 31 December 2020	373,428	2,357	18,338	14,644	408,767
Depreciation					
At 1 January 2020	57,581	2,201	13,185	14,644	87,611
Charge for the year	6,806	156	1,217	-	8,179
At 31 December 2020	64,387	2,357	14,402	14,644	95,790
Net Book Values					
At 31 December 2020	£309,041	£-	£3,936	£-	£312,977
At 31 December 2019	£315,847	£156	£230	£-	£316,233
13. INVESTMENTS					
				2020	2019
				£	£
At Market Value					
Charifund Unit Trusts				£130,711	£150,061
Movements					
At 1 January 2020				150,061	122,013
Net unrealised investment gains/(losses)				(19,350)	28,048
At 31 December 2020				£130,711	£150,061

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

13. INVESTMENTS (CONTINUED)

The historical cost to the charitable company of the Charifund Unit Trust investment held at 31 December is

58,481	58,481
£58,481	£58,481

Investments are held in accordance with trustees' powers.

14. DEBTORS

	2020 £	2019 £
Trade debtors	17,646	63,243
Prepayments	1,315	1,125
Other debtors	100	-
	£19,061	£64,368

15. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	13,574	10,942
Deferred income (note 16)	17,836	-
PAYE	6,562	7,272
Accruals	22,922	19,082
	£60,894	£37,296

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

16. MOVEMENTS IN DEFERRED INCOME

	2020	2019
	£	£
Deferred income at 1 January 2020	-	279
Resources released from previous year	-	(279)
Resources deferred in the year	17,836	-
	<hr/>	<hr/>
Deferred income at 31 December 2020	£17,836	£-
	<hr/>	<hr/>

17. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2020	2019
	£	£
Financial assets that are debt instruments	17,746	63,243
Financial liabilities that are debt instruments	36,496	30,024
	<hr/>	<hr/>

18. OPERATING LEASES

The charitable company is committed to a five year lease which commenced in July 2012 and ended in June 2017 under non-cancellable operating leases which expired as follows:

	2020	2019
	£	£
Land and Buildings		
Within one year	£-	£-
	<hr/>	<hr/>

SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Unrestricted Funds £	Designated Funds £	2020 Total Funds £	2019 Total Funds £
Tangible fixed assets	312,977	-	312,977	316,233
Investments	130,711	-	130,711	150,061
Current assets	515,666	45,000	560,666	477,240
Current liabilities	(60,894)	-	(60,894)	(37,296)
Net Assets at 31 December 2020	£898,460	£45,000	£943,460	£906,238

20. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.20 £	Incoming Resources £	Outgoing Resources £	(Loss) on Investment £	At 31.12.20 £
Analysis of Movements in Unrestricted Funds					
General Fund	861,238	669,106	612,534	(19,350)	898,460
Designated Fund:					
- Building Fund	30,000	-	-	-	30,000
- Employment Fund	15,000	-	-	-	15,000
Total Unrestricted Funds	906,238	669,106	612,534	(19,350)	943,460
Total Funds	£906,238	£669,106	£612,534	£(19,350)	£943,460

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

20. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

Unrestricted Funds

General Funds

These are funds which the charitable company is free to use in accordance with the charitable objects.

Designated Funds

The trustees can designate unrestricted funds for a particular purpose.

The Building Fund is a fund which the charitable company has set aside for the maintenance and refurbishment of its property 187A Portswood Road, Southampton.

The Employment Fund is a fund which the charitable company has set aside to fund future staff restructuring.

Restricted Funds

These are funds which the charitable company can only spend on a purpose determined by the terms on which the fund is received.

21. RELATED PARTY TRANSACTIONS

There were no related party transactions arising in the year to 31 December 2020 (2019 - £nil).

22. CONTINGENT LIABILITIES

The charitable company had no contingent liabilities as at 31 December 2020 (2019 - £nil).

23. CAPITAL COMMITMENTS

The charitable company had no capital commitments at 31 December 2020 (2019 - £nil).

24. POST BALANCE SHEET EVENTS

The charitable company has no post Balance Sheet events (2019 - £nil).

**SOUTHAMPTON MENCAP
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

**25. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2020	2019
	£	£
Net income for the year before net gains on investments (as per the Statement of Financial Activities)	56,572	59,932
Adjustments for:		
Depreciation charges	8,179	8,522
Decrease/(Increase) in debtors	45,307	(36,551)
Increase in creditors	23,598	1,130
	<hr/>	<hr/>
Net cash provided by operating activities	£133,656	£33,033
	<hr/>	<hr/>

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash at bank and in hand	541,605	412,872
	<hr/>	<hr/>
Total cash and cash equivalents	£541,605	£412,872
	<hr/>	<hr/>

27. AFFILIATION

The charitable company is affiliated to the national organisation, Royal Mencap Society.

28. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company 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.