CARLISLE MENCAP LIMITED

England & Wales · Charity number 1115348

Details

Status	Registered
Legal form	Charitable company
Company number	05595628
Registered	2006-07-14
Register	View on the Charity Commission register

Contact

Address	Carlisle Mencap Ltd Unit J3 Duchess Avenue Kingmoor Park North Kingmoor Park East CARLISLE
Phone	01228674393
Email	enquiries@carlislemencap.co.uk
Website	www.carlislemencap.co.uk

Activities

Objects: Advancing the health, education and the well-being of people with a learning disability and their families and carers (the beneficiaries) by providing, procuring or facilitating care, services and facilities and to advance equality and diversity for people with a learning disability.

Activities: supports people with learning disabilities and their families in Cumbria

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, People With Disabilities

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Geography

- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,504,219	£2,203,150	£1,332,340	86
2024-03-31	£3,014,767	£2,916,791	£1,031,271	80
2022-09-30	£2,034,176	£2,138,870	£933,295	101
2021-09-30	£2,880,968	£3,039,501	£-1,067,011	133
2020-09-30	£2,996,194	£3,057,517	£-1,218,478	145

Trustees

Name	Role	Appointed
CHRISTINE BOWDITCH	Chair	
Georgina Ternent		
Jill Harland		2017-05-16
Robert Willian Gordon		2025-11-25
STEVEN BOWDITCH		

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CARLISLE MENCAP LIMITED

England & Wales - Charity number 1115348

Accounts

Charity registration number 1115348 (England and Wales)

Company registration number 05595628

CARLISLE MENCAP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

CARLISLE MENCAP LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs C Bowditch Mr T Baty Mr S Bowditch Mrs C Bowman Mrs E Harkness Mrs J Harland Mrs S McBean Mrs G Ternent	
Secretary	Mr R Toone	
Senior management	R Toone W Wilson S McMillan J Bazydlo	CEO Head of Quality and Compliance Head of People and Process Head of Finance
Charity number (England and Wales)	1115348	
Company number	05595628	
Registered office	Unit J3 Duchess Avenue Kingmoor Park North Carlisle Cumbria CA6 4SN	
Auditor	Saint & Co. Sterling House Wavell Drive Rosehill Carlisle CA1 2SA	

CARLISLE MENCAP LIMITED

CONTENTS

	Page
Trustees' report	1 - 6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 24

CARLISLE MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Objectives and activities

The organisation's policy is to improve the lives of people with learning disabilities in Cumbria by providing life long, quality and person-centered support.

The aims, objectives and activities of the charity are reviewed regularly, and achievements assessed. In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

The year to 31st March 2025 has been one of significant change within the charity with a new CEO joining and a reorganistation of the senior management structure. The trustees would like to take the opportunity to thank former CEO Catherine Burn for all her work during her tenure, particularly in moving the charity towards a sustainable financial position.

The transfer of council functions to two unitary authorities in April 2023 has continued to have an impact during the reporting period as the commissioning of services continues to be segregated.

We would like to record our thanks to the highly skilled staff team who show so much dedication and commitment to their work with Carlisle Mencap and continue to meet the challenges presented by a difficult labour market within the care sector as a whole. Carlisle Mencap has robust recruitment processes, including the use of Disclosure and Barring Service checks for staff and volunteers. We are committed to continuous improvement in this area to ensure we are a welcoming and inclusive organisation, true to our values.

Activities

During the year services were delivered in the following areas:

California House

Residential respite care for adults with learning disabilities. The house has five guest bedrooms, two are fully accessible for those with profound physical disabilities. The house is open 365 days a year. This service is funded via Cumberland Council and the local NHS.

Community Support Adults

We provide services for adults in the community. Services provided can be very varied - from helping someone to go shopping, supporting people to do leisure activities, to spending entire days with clients supporting all of their daily activities.

Supported Living

We supply 24-hour support, 365 days a year, in the community for clients in their own homes. This service comprises five houses and 12 clients during the period.

Grace Little Centre

The Centre continued to be used for a variety of services including Adult Day Opportunities, Children’s Outreach activities, holiday activity clubs, training and group meetings.

Children's Community Support

We support young people in the community whilst their parents take a break. We either take care of the children at home or take them out into the community to do an activity.

Saturday Club and Holiday Play Schemes

We are commissioned by NHS to provide short term non-residential care for disabled children. These services have operated at full capacity this year.

Targeted Short Breaks holiday and weekend activities

We are commissioned by Cumberland Council to run a programme of holiday and weekend activities for children with additional needs. We deliver a needs led, inclusive range of fun activities.

Holiday and Food Programme HAF

Alongside our ICB funded holiday club activities, we provide food and promote health and wellbeing to children and their families funded by the Department of Education.

Early Positive Approaches to Support, EPAtS

Funded by Royal Mencap we have delivered the Tizard Centre programme of pre-diagnosis support to parents of children under five years of age as part of the national Randomised Control Trial. The final report for this programme was delivered this year.

Cumbria Autism Family Support Project

Four part-time Autism Advisors support families with children on the autistic spectrum. The workers advise, educate and signpost and run collaborative workshops. This service covers the whole of Cumbria. During the reporting period these services moved to separate contracts with Westmorland & Furness and Cumberland Councils.

Adult Day Opportunities

Adult Social Care funded Day Opportunities continued through the year being delivered from the Grace Little Centre and other community settings. This service is developing well and offers a range of life and social skill development opportunities.

Waiting Well

Developed and delivered a waiting well service to support people on the elective surgery waiting list in partnership with North East and North Cumbria Integrated Care Board and third sector partners. A tailored programme of support and assistance to access community-based activities to maintain people’s mental and physical health and wellbeing while waiting for planned surgery.

Achievements and performance

Significant activities and achievements against objectives

Notable achievements -

- We provided 24x7 support to 12 adults in 5 Supported Living houses.
- The respite service we provide from California House has performed well, responding to planned and emergency stays as needed. The service has increased the proportion of income from NHS services throughout the year.
- We bid for, and won, a renewed but revised framework contract with Cumberland Council for Adult Day opportunities allowing the continuation of this important work.
- There have been no inspection reports for any services during the year.
- We provided Adult and Children's Community Outreach services.
- Continued our well-established Children's clubs and Targeted Short Breaks activities in school holidays and at weekends.
- Successfully delivered the Department of Education Holiday and Food programme HAF, in Carlisle.
- Delivered the county wide revised Family Autism Service.
- Delivered a programme of Early Positive Approaches to Support, EPAtS as part of the nation Randomised Control Trial conducted by the Tizard Centre, University of Kent.
- Delivered the waiting well service to support people on the elective surgery waiting list. Building a strong, supportive relationship with North East and North Cumbria (NENC) Integrated Care Board and third sector partners.
- Continued to deliver Carlisle Active a programme of social events for adults.

Significant factors

Trustees have met regularly to review the operational performance, financial position and the strategy going forward.

Fundraising practices

The charity does not use any outside fundraisers. Main fundraising activities, are grant applications undertaken by the CEO and wider management team.

Investment performance

Investment policy and performance

The organisation adopts a cautious approach to investment and funds are held in savings accounts which are deemed to be low risk and available as contingency.

Financial review

The financial position has improved steadily throughout the year and the combination of enhancing existing contracts and strong financial controls, gives the Trustees confidence in the long term sustainability of the charity.

The results for the year show an excess income of £301,069. Overall funds carried forward amount to £1,332,340, being restricted funds of £7,014 and unrestricted funds of £1,325,326. Free reserves are £549,881.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The charity has been working hard to recover this level reserves and remain on course to meet this obligation. Reserves are monitored by the Trustees bi-monthly. The Trustees are satisfied with the current reserves position.

Major risks

Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

Looking ahead, Carlisle Mencap remains committed to building on our achievements and responding proactively to the evolving needs of our community. Over the coming periods, our strategic priorities will include:

Strengthening Staff Wellbeing and Reward

We recognise that our staff are central to delivering high-quality services. In the next period, we will continue to invest in staff wellbeing initiatives and review our reward structures to ensure our team feels valued and supported.

Developing Our Children's Services

We will further develop our children's services, expanding our offer to meet growing demand. Our aim is to provide innovative, inclusive, and responsive services that support children and their families, ensuring every child has access to opportunities for growth and enrichment.

Increasing Service User Lived Experience into Decision Making

We are committed to embedding the voices of our service users at the heart of our decision-making processes. We will strengthen mechanisms for service user involvement, ensuring their lived experiences inform our strategy, service design, and delivery.

Increased Focus on Partnerships and Fundraising

To sustain and grow our impact, we will place greater emphasis on developing strategic partnerships and diversifying our fundraising activities. By working collaboratively with local authorities, health partners, and community organisations, and by engaging new supporters, we aim to secure additional resources and extend our reach.

Recruitment to Our Board of Trustees

We recognise the importance of a diverse and skilled Board in guiding our charity. In the coming period, we will actively recruit new trustees, seeking individuals with a range of backgrounds and expertise to strengthen our governance and ensure robust oversight of our activities.

Service Growth in Existing and New Areas

Building on our strong foundation, we will seek opportunities to grow our services both within our current areas of operation and in new locations where there is unmet need. This will involve ongoing assessment of community needs, piloting new initiatives, and scaling successful programmes to maximise our positive impact.

These priorities reflect our ongoing commitment to delivering high-quality, person-centred services and ensuring Carlisle Mencap remains a resilient, forward-looking organisation.

Structure, governance and management

Carlisle Mencap Limited is registered as a charitable company limited by guarantee and was set up by Memorandum of Association. The company is constituted under a Memorandum of Association and is a registered charity number 1115348. The company was incorporated on and commenced trading on that date.

The objectives of the society are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers, and to prevent learning disabilities for the public benefit and to advance religion amongst persons with learning disability;
- to provide and assist in the provision of facilities for the recreation or other leisure time occupation for people who have the need thereof by reason of learning disability with the object of improving their conditions of life.

At the last Annual General Meeting on 13th January 2025 the members of Carlisle Mencap unanimously voted to apply to the Charities Commission to change the objects of the charity to match those of Royal Mencap as it felt these more accurately reflected the values and mission of the charity. The proposal was for the new objects to be:

- Advancing the health, education and the well-being of people with a learning disability and their families and carers (the beneficiaries) by providing, procuring or facilitating care, services and facilities and to advance equality and diversity for people with a learning disability.

At the AGM the members of Carlisle Mencap Limited also unanimously voted to convert Carlisle Mencap from a Registered Charity owned by members who appoint the trustees, to a Charitable Incorporated Organisation (CIO) where members and trustees are the same individuals (Foundation) so that current members (apart from trustees) are no longer personally liable for the organisation.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs C Bowditch	
Mr T Baty	
Mr S Bowditch	
Mrs C Bowman	
Mrs E Harkness	
Mrs J Harland	
Mrs S McBean	
Mrs G Ternent	
Mr N Steel	(Resigned 4 February 2025)
Mr N Braiden	(Resigned 3 February 2025)

Recruitment and appointment of trustees

New Trustees are recruited through an open recruitment system. They are given an overview of the organisation by the Chief Executive. Trustees are inducted and given training in their role by the Chief Executive. All take part in child protection training.

The Trustees meet bi-monthly to discuss policy and strategy. There is an additional finance sub-committee which meets bi-monthly to discuss some matters in further depth. The CEO is line managed by the Trustees. The CEO has the day to day running of the organisation – they are supported by 3 Heads of department who manage the staff teams.

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

Statement of trustees' responsibilities

The trustees, who are also the directors of Carlisle Mencap Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Auditor

In accordance with the company's articles, a resolution proposing that Saint & Co. be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

Mrs C Bowditch
Trustee

13 October 2025

CARLISLE MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CARLISLE MENCAP LIMITED

Opinion

We have audited the financial statements of Carlisle Mencap Limited (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 31 March 2025 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
  - performed analytical procedures to identify any unusual or unexpected relationships;
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
  - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saint & Co.
Statutory Auditor & Chartered Accountants
Sterling House
Wavell Drive
Rosehill
Carlisle
CA1 2SA
21 October 2025

Saint & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CARLISLE MENCAP LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	**3**	124,571	115,093	239,664	101,411	127,539	228,950
Charitable activities	**4**	2,263,564	-	2,263,564	2,784,834	-	2,784,834
Investments	**5**	991	-	991	983	-	983
Total income		2,389,126	115,093	2,504,219	2,887,228	127,539	3,014,767
Expenditure on:							
Charitable activities	**6**	2,091,819	111,331	2,203,150	2,787,504	129,287	2,916,791
Total expenditure		2,091,819	111,331	2,203,150	2,787,504	129,287	2,916,791
Net income		297,307	3,762	301,069	99,724	(1,748)	97,976
Transfers between funds		-	-	-	364	(364)	-
Net movement in funds	**8**	297,307	3,762	301,069	100,088	(2,112)	97,976
Reconciliation of funds:							
Fund balances at 1 April 2024		1,028,019	3,252	1,031,271	927,931	5,364	933,295
Fund balances at 31 March 2025		1,325,326	7,014	1,332,340	1,028,019	3,252	1,031,271

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CARLISLE MENCAP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**12**		775,445		803,483
Current assets					
Debtors	**13**	398,989		230,354	
Cash at bank and in hand		455,842		513,393	
		854,831		743,747	
Creditors: amounts falling due within one year	**14**	(297,936)		(515,959)	
Net current assets			556,895		227,788
Total assets less current liabilities			1,332,340		1,031,271
The funds of the charity					
Restricted income funds	**17**		7,014		3,252
Unrestricted funds	**18**		1,325,326		1,028,019
			1,332,340		1,031,271

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 13 October 2025

Mrs C Bowditch
Trustee

Mrs G Ternent
Trustee

Company registration number 05595628 (England and Wales)

CARLISLE MENCAP LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**24**		(55,310)		398,240
Investing activities					
Purchase of tangible fixed assets		(3,232)		(3,287)	
Investment income received		991		983	
Net cash used in investing activities			(2,241)		(2,304)
Financing activities					
Repayment of borrowings		-		(15,000)	
Net cash used in financing activities			-		(15,000)
Net (decrease)/increase in cash and cash equivalents			(57,551)		380,936
Cash and cash equivalents at beginning of year			513,393		132,457
Cash and cash equivalents at end of year			455,842		513,393

1 Accounting policies

Charity information

Carlisle Mencap Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit J3, Duchess Avenue, Kingmoor Park North, Carlisle, Cumbria, CA6 4SN.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. The charity only capitalises assets costing £500 or more.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line basis
Leasehold land and buildings	2% straight line basis
Fixtures and fittings	25% reducing balance basis or 25% straight line basis
Motor vehicles	25% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	672	-	672	32,327	-	32,327
Grants	123,899	115,093	238,992	69,084	127,539	196,623
	124,571	115,093	239,664	101,411	127,539	228,950

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Charitable activities		
Services provided under contract	2,249,258	2,771,335
Other income	14,306	13,499
	2,263,564	2,784,834

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	991	983

6 Expenditure on charitable activities

	Charitable activities 2025	Charitable activities 2024
	£	£
Direct costs		
Staff costs	1,718,978	2,076,450
Depreciation and impairment	21,181	31,767
Premises expenses	18,330	38,582
Insurance	9,561	21,530
Maintenance & Cleaning	30,970	33,564
Telephone	7,988	10,988
IT Costs	2,870	913
Printing, Postage & Stationery	-	1,884
Staff Training	9,240	18,429
Other Expenses	2,355	3,454
Project costs	7,539	25,276
Motor & Travel expenses	21,725	22,876
Legal & Professional fees	249	-
Bad debts	-	459
	1,850,986	2,286,172
Share of support and governance costs (see note 7)		
Support	304,423	556,255
Governance	47,741	74,364
	2,203,150	2,916,791
Analysis by fund		
Unrestricted funds	2,091,819	2,787,504
Restricted funds	111,331	129,287
	2,203,150	2,916,791

7 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	197,100	404,297
Depreciation	5,656	12,580
Staff training	3,391	5,637
Insurance	9,139	12,472
Premises costs	31,302	50,128
Maintenance & Cleaning	7,055	11,695
Telephone	7,690	9,997
IT Costs	16,051	32,137
Printing, Postage & Stationery	914	2,503
Other Expenses	7,231	9,827
Motor & Travel Expenses	136	107
Interest payable	18,758	4,875
Governance costs	47,741	74,364
	352,164	630,619
Analysed between:		
Charitable activities	352,164	630,619

Governance costs comprise:	2025 £	2024 £
Loss on disposal of tangible fixed assets	4,433	-
Audit fees	8,280	13,396
Accountancy	5,629	20,297
Legal and professional	29,399	40,671
	47,741	74,364

8 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,280	13,396
Depreciation of owned tangible fixed assets	26,837	44,347
Loss on disposal of tangible fixed assets	4,433	-

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Management and administration	9	8
Activities in furtherance of charitable objectives	77	71
Total	86	79

Employment costs	2025 £	2024 £
Wages and salaries	1,765,140	2,275,847
Social security costs	123,772	162,991
Other pension costs	27,166	41,909
	1,916,078	2,480,747

Redundancy and termination payments totalling £nil (2024: £18,843) were made in the reporting period.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£80,001-90,000	-	1

The 2024 figures were for a period of 18 months.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025 £	2024 £
Aggregate compensation	182,465	466,759

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2024	377,311	644,185	104,286	56,695	1,182,477
Additions	-	-	3,232	-	3,232
Disposals	-	-	(28,531)	-	(28,531)
At 31 March 2025	377,311	644,185	78,987	56,695	1,157,178
Depreciation and impairment					
At 1 April 2024	88,291	152,517	83,632	54,554	378,994
Depreciation charged in the year	7,546	12,885	5,870	536	26,837
Eliminated in respect of disposals	-	-	(24,098)	-	(24,098)
At 31 March 2025	95,837	165,402	65,404	55,090	381,733
Carrying amount					
At 31 March 2025	281,474	478,783	13,583	1,605	775,445
At 31 March 2024	289,020	491,668	20,653	2,142	803,483

13 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	327,363	167,761
Prepayments and accrued income	71,626	62,593
	398,989	230,354

14 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		38,784	30,337
Deferred income	**15**	132,650	252,523
Trade creditors		40,485	63,766
Other creditors		67,479	44,908
Accruals		18,538	124,425
		297,936	515,959

15 Deferred income

	2025	2024
	£	£
Other deferred income	132,650	252,523

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	132,650	252,523
Movements in the year:		
Deferred income at 1 April 2024	252,523	10,971
Released from previous periods	(211,040)	(10,971)
Resources deferred in the year	91,167	252,523
Deferred income at 31 March 2025	132,650	252,523

16 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	27,166	41,909

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Children in Need	3,252	(3,252)	-	-	-
CCC - HAF Days out	-	10,121	(10,121)	-	-
REACH	-	12,800	(5,786)	-	7,014
NHS Playscheme & Saturday club	-	95,424	(95,424)	-	-
	3,252	115,093	(111,331)	-	7,014

17 Restricted funds **(Continued)**

Previous year:	At 1 October 2022	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
AAS Big Lottery	-	96,450	(96,450)	-	-
Children in Need	-	24,450	(21,198)	-	3,252
Other Restricted funds	364	-	-	(364)	-
CCC - HAF days out	-	6,639	(6,639)	-	-
Grace Little Centre	5,000	-	(5,000)	-	-
	5,364	127,539	(129,287)	(364)	3,252

AAS Big Lottery - To help reduce loneliness, increase activity and opportunities to make friends for people with learning disabilities by setting up a hub, providing leisure and sporting activities in the community.
Children In Need - Grant income provided for children's holidays.
Grace Little Centre - A grant to cover repair and paint works of the centre
HAF - Provide healthy meals and holiday activities.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	1,028,019	2,389,126	(2,091,819)	-	1,325,326

Previous year:	At 1 October 2022	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	927,931	2,887,228	(2,787,504)	364	1,028,019

19 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 31 March 2025:			
Tangible assets	775,445	-	775,445
Current assets/(liabilities)	549,881	7,014	556,895
	1,325,326	7,014	1,332,340

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 March 2024:			
Tangible assets	803,483	-	803,483
Current assets/(liabilities)	224,536	3,252	227,788
	1,028,019	3,252	1,031,271

20 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	8,670	24,882
Between two and five years	1,192	2,377
In over five years	13,100	-
	22,962	27,259

The operating lease expense recognised in the Statement of Financial Activities in the period is £26,919 (2024: £38,027).

21 Events after the reporting date

The trustees are awaiting confirmation from the Charities Commission to change the organisation into a Charitable Incorporated Organisation (CIO). It is expected, if approval is obtained, this will occur by 31 March 2026.

22 Related party transactions

22 Related party transactions **(Continued)**

During the year 3 trustees (2024: 3 trustees) were service users of the charity. In addition the dependent of another trustee is also a service user. They did not receive any favourable rates or terms. There were no other related party transactions during the year.

23 Member's liability

The charity is a private limited company by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

24 Cash (absorbed by)/generated from operations

	2025	2024
	£	£
Surplus for the year	301,069	97,976
Adjustments for:		
Investment income recognised in statement of financial activities	(991)	(983)
Loss on disposal of tangible fixed assets	4,433	-
Depreciation and impairment of tangible fixed assets	26,837	44,347
Movements in working capital:		
(Increase) in debtors	(168,635)	(91,290)
(Decrease)/increase in creditors	(98,150)	106,638
(Decrease)/increase in deferred income	(119,873)	241,552
Cash (absorbed by)/generated from operations	(55,310)	398,240

25 Analysis of changes in net funds

The charity had no material debt during the year.

CARLISLE MENCAP LIMITED

England & Wales - Charity number 1115348

Accounts

Carlisle Mencap Limited

(A company limited by guarantee)

Annual Report and Financial Statements

1 October 2022 to 31 March 2024

Company registration number: 05595628
Charity registration number: 1115348

Carlisle Mencap Limited

Contents

Reference and Administrative Details	1
Trustees' report	2
Trustees' responsibilities in relation to the financial statements	7
Independent auditors' report	8
Statement of financial activities	12
Balance sheet	13
Cash flow statement	14
Notes to the financial statements	15

Carlisle Mencap Limited

Reference and Administrative Details

Charity name	Carlisle Mencap Limited
Charity registration number	1115348
Company registration number	05595628
Registered office	Unit J3 Duchess Avenue Kingmoor Park North CARLISLE CA6 4SN
Trustees	C Bowditch, Chair G Ternent, Treasurer T Baty E Harkness, Vice Chair J Harland C Bowman S Bowditch N Steel N Braiden S McBean
Secretaries	C Burn (Resigned 4 October 2024) J Bazydlo (Appointed 4 October 2024)
Bankers	HSBC plc PO Box 5 29 English Street CARLISLE CA3 8JW CAF Bank Ltd 25 Kings Hill Avenue Kings Hill WEST MALLING ME19 4JQ
Auditor	Dodd & Co Audit Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Carlisle Mencap Limited

Trustees' Report for the Period Ended 31 March 2024

The Trustees present their annual report together with the audited financial statements of Carlisle Mencap Limited for the period 1 October 2022 to 31 March 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report Regulations 2013) has been omitted.

Introduction

2022/24 has been a challenging and changing period for the charity as it has been for the sector in general with a difficult resourcing market, and changes to the NHS and the authorisation of Integrated Care Systems and Local Government reorganisation with the creation of two unitary authorities. This has brought a high level of disruption to the local ecosystem and uncertainty around future commissioning intensions.The staff have continued to deliver outstanding services and we are grateful for their perseverance, commitment and hard work. and the CEO continues to build on the solid foundations laid during the first year of their tenure.

The Trustees have changed the financial reporting period which is now aligned with the financial year, extending this reporting period from 12 to 18 months. The CEO has continued to develop the senior management team, despite several changes in personal within the finance department and good progress has been made on establishing more surety around our financial controls. Changes to our financial management system and in-house payroll processing, continue to move the organisation to a more sustainable financial position. This has been a period of consolidation which had brought financial stability, and the generation of a healthy surplus for the first time in 7 years.

Objectives and activities

a. Policies and objectives

The organisation's policy is to improve the lives of people with learning disabilities in Cumbria by providing life long, quality and person-centered support.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

b. Strategies for achieving objectives

Strategies for the charity include:

1. The continual improvement of our existing services and the further extension of those services to new clients and new areas.
2. Working in collaboration with other organisations and consortia to increase our services and reach across a wider part of the county.
3. Diversifying income generation from non-statutory sources.
4. Implementation of a new staffing structure across the organisation to reduce expenditure.
5. Implementation of electronic record keeping across the organisation to reduce expenditure.

c. Activities undertaken to achieve objectives

Notable achievements -

- We provided 24x7 support to 12 adults in 5 Supported Living houses.
- The respite service we provide from California House has performed well despite significant staffing challenges.

- We bid for, and won, a renewed but revised contract with Cumberland Council for Adult Day opportunities allowing the continuation of previously grant funded work.
- There have been no inspection reports for any services during the 18 months.
- We provided Adult and Children's Community Outreach services.
- Continued our well-established Children's clubs and Targeted Short Breaks activities in school holidays and at weekends.
- Delivered a programme of Children In Need grant funded holidays.
- Successfully delivered the Department of Education Holiday and Food programme HAF, in Carlisle.
- Delivered the county wide New Family Autism Service.
- Delivered a programme of Early Positive Approaches to Support, EPAtS as part of the nation Randomised Control Trial conducted by the Tizard Centre, University of Kent.
- Developed and delivered a waiting well service to support people on the elective surgery waiting list in partnership with North East and North Cumbria Integrated Care Board and third sector partners.
- Co-produced a Learning Disability and Autism training programme with 4EDEN.
- Continued to deliver Carlisle Active a programme of social events for adults.

The children's respite service from Grace Little Centre remains closed due to staffing. We continued to provide several other services using the facility and used it as a training and meeting center too.

Trustees have met regularly to review the operational performance, financial position and the strategy going forward.

Achievements and performance

a. Review of activities

During 2022/24 the organisation has continued its core activities and developed some new services, these include:

California House

Residential respite care for adults with learning disabilities. The house has five guest bedrooms, two are fully accessible for those with profound physical disabilities. The house is open 365 days a year. This service is funded on a block purchase system.

Community Support Adults

We provide services for adults in the community. Services provided can be very varied - from helping someone to go shopping, supporting people to do leisure activities, to spending entire days with clients supporting all of their daily activities.

Supported Living

We supply 24-hour support in the community for twelve clients in their own homes. This service continues to grow with the addition of a fifth house and three clients during the period.

Children's Services including:

Grace Little Centre

The Centre continued to be used for a variety of services including Adult Day Opportunities, Children's Outreach activities, holiday activity clubs, training and group meetings.

Children's Community Support

We support young people in the community whilst their parents take a break. We either take care of the children at home or take them out in to the community to do an activity. This has exceeded pre-pandemic levels.

Activators Club and Holiday Play Schemes

We are commissioned by NHS to provide short term non-residential care for disabled children. These services have operated at full capacity this year.

Targeted Short Breaks holiday and weekend activities

We are commissioned by Cumberland Council to run a programme of holiday and weekend activities for children with additional needs. We deliver a needs led, inclusive range of fun activities and a regular Sunday Club.

Holiday and Food Programme HAF

Alongside our ICB funded holiday club activities we provide food and promote health and wellbeing to children and their families funded by the Department of Education.

Early Positive Approaches to Support, EPAtS

Funded by Royal Mencap we have delivered the Tizard Centre programme of pre-diagnosis support to parents of children under five years of age as part of the national Randomised Control Trial

Children In Need Holidays

We are grant funded to provide six annual holidays for children with additional needs.

Cumbria Autism Family Support Project

Four part-time Autism Advisors support families with children on the autistic spectrum. The workers advise, educate and signpost and run collaborative workshops. This service covers the whole of Cumbria.

Adult Day Opportunities

The Independence Studio ended in March 2023 and has been replaced by Adult Social Care funded Day Opportunities. This service is developing well and offers a range of life and social skill development opportunities.

Waiting Well

Developed and delivered a waiting well service to support people on the elective surgery waiting list in partnership with North East and North Cumbria Integrated Care Board and third sector partners. A tailored programme of support and assistance to access community-based activities to maintain people's metal and physical health and wellbeing while waiting for planned surgery

Training

Co-produced a Learning Disability and Autism training programme with 4EDEN a registered charity in the district of Eden supporting people with Learning Disabilities and Autism. This was delivered as part of the Department of Education Holiday Activity and Food Programme HAF, to the network delivery partners raising awareness and increasing participation from children with Special Educational Needs.

b. Fundraising activities and income generation

The charity does not use any outside fundraisers. Main fundraising activities, are grant applications undertaken by the CEO and wider management team.

c. Investment policy and performance

The organisation adopts a cautious approach to investment and funds are held in savings accounts which are deemed to be low risk and available as contingency.

Financial Review

a. Going concern

The financial position has improved steadily throughout the year and the combination of existing contracts, significant and growing demand for the services we can offer, and new seedling services we have won, gives the Trustees renewed confidence in the sustainability of the charity.

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The policy of the charity is to maintain enough reserves to continue operations for three months. Three months running costs are £555,000 which includes essential staffing to maintain services, housekeeping, rentals, insurances and registration costs. Reserves are monitored by the Trustees bi-monthly.

The Trustees are happy with the current reserves position.

c. Principal funding

The financial constraints indicated from national and local government, and the national health and social care resourcing pressures make it difficult to plan services ahead. However, we have been pleased to generate a sound income for the year. Trustees chose to use funds from services to fund additional charitable activities. Cumberland Council contracts are still the major funding source and because of uncertainty and expected constraints on local authority funding we continue to look at diversification of our income from other sources, including direct fundraising and a variety of grants.

d. Results for the year

The results for the year show an excess of income of £97,976. Overall funds carried forward amount to a £1,031,271, being restricted funds of £3,252 and unrestricted funds of £1,028,019. Free reserves are £224,536.

Structure, governance and management

a. Constitution

Carlisle Mencap Limited is registered as a charitable company limited by guarantee and was set up by Memorandum of Association. The company is constituted under a Memorandum of Association and is a registered charity number 1115348. The company was incorporated on and commenced trading on that date.

The objectives of the society are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers, and to prevent learning disabilities for the public benefit and to advance religion amongst persons with learning disability;
- to provide and assist in the provision of facilities for the recreation or other leisure time occupation for people who have the need thereof by reason of learning disability with the object of improving their conditions of life.

There have been no changes in the objectives since the last annual report.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Trustees meet bi-monthly to discuss policy and strategy. There is an additional finance sub-committee which meets bi-monthly to discuss some matters in further depth. The CEO is line managed by the Trustees. The CEO has the day to day running of the organisation – They are supported by 4 service managers who manage the staff teams.

d. Policies adopted for the induction and training of Trustees

Trustees are inducted and given training in their role by the Chief Officer. All take part in child protection training.

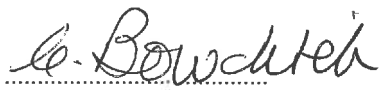
e. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 17 December 2024 and signed on its behalf by:



C Bowditch
Trustee

Carlisle Mencap Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Carlisle Mencap Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which 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 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Independent Auditors' Report to the Members of

Carlisle Mencap Limited

Opinion

We have audited the financial statements of Carlisle Mencap Limited for the period ended 31 March 2024 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes, 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 at 31 March 2024 and it's incoming resources and application of resources, including its income and expenditure, for the period 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and 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 director's 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

..... *continued*

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 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 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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:

- certain disclosures of trustees' remuneration specified by law are not made; or
- 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.

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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 controls as they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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.

..... *continued*

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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and charitable company's performance
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant internal specialists, including pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition and management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Charities Act, pensions legislation and tax legislation.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

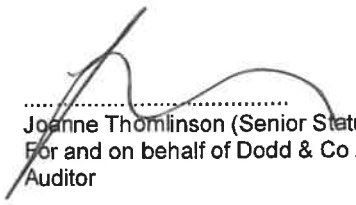
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

..... *continued*

Use of our report

This report is made solely to the charity'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 charity'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 charity and its members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Joanne Thomlinson (Senior Statutory Auditor)
For and on behalf of Dodd & Co Audit Limited, Statutory Auditor

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

17 December 2024

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Carlisle Mencap Limited

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

	Note	Unrestricted Funds	Restricted Funds	Total Funds 18 months ended 31 March 2024	Total Funds Year ended 30 September 2022
		£	£	£	£
Income and endowments from:					
Donations and legacies	2	101,411	127,539	228,950	158,821
Investments	3	983	-	983	15
Charitable activities	4	2,784,834	-	2,784,834	1,859,951
Other income	5	-	-	-	15,389
Total income and endowments		2,887,228	127,539	3,014,767	2,034,176
Expenditure on:					
Charitable activities		2,787,504	129,287	2,916,791	2,138,870
Exceptional costs		-	-	-	(2,105,000)
Total expenditure		2,787,504	129,287	2,916,791	33,870
Net income before transfers		99,724	(1,748)	97,976	2,000,306
Transfers					
Transfers between funds		364	(364)	-	-
Net movements in funds		100,088	(2,112)	97,976	2,000,306
Reconciliation of funds					
Total funds brought forward		927,931	5,364	933,295	(1,067,011)
Total funds carried forward		1,028,019	3,252	1,031,271	933,295

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 15 to 28 form an integral part of these financial statements.

Carlisle Mencap Limited

Company registration number: 05595628

Balance Sheet as at 31 March 2024

	Note	31 March 2024 £	31 March 2024 £	30 September 2022 £	30 September 2022 £
Fixed assets					
Tangible assets	11		803,483		844,543
Current assets					
Debtors	12	230,354		139,064	
Cash at bank and in hand		513,393		132,469	
		743,747		271,533	
Creditors: Amounts falling due within one year	13	(515,959)		(181,456)	
Net current assets			227,788		90,077
Total assets less current liabilities			1,031,271		934,620
Creditors: Amounts falling due after more than one year	14		-		(1,325)
Net assets			1,031,271		933,295
The funds of the charity:					
Restricted funds			3,252		5,364
Unrestricted funds					
Unrestricted income funds			1,028,019		927,931
Total charity funds			1,031,271		933,295

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

Approved by the Board on 17 December 2024 and signed on its behalf by:

C Bowditch
Trustee

G Tement
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

Carlisle Mencap Limited

Cash Flow Statement for the Period Ended 31 March 2024

	18 months ended 31 March 2024 £	Year ended 30 September 2022 £
Net cash provided by (used by) operating activities		
Net income for the period	97,976	2,000,306
Depreciation charges	44,347	31,532
(Increase)/decrease in debtors	(91,290)	21,024
Increase/(decrease) in creditors	333,178	(104,436)
Decrease in provisions	-	(2,105,000)
	384,211	(156,574)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(3,287)	(9,253)
	(3,287)	(9,253)
Repayment of borrowings	-	(12,000)
Increase/(decrease) in cash	380,924	(177,827)

The notes on pages 15 to 28 form an integral part of these financial statements.

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (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.

Basis of preparation

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 19.

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Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administor/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% straight line basis
Long leasehold property	2% straight line basis
Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis or 25% straight line basis

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

The charity operated a defined benefit pension scheme during the period but all liabilities were transferred back to Cumbria County Council along with the associated staff via TUPE transfer upon completion of the Short Breaks contract in January 2022.

..... *continued*

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 18 months ended 31 March 2024 £	Total Funds Year ended 30 September 2022 £
Donations and legacies				
Donations	32,327	-	32,327	14,631
Grants				
Grants	69,084	127,539	196,623	144,190
	101,411	127,539	228,950	158,821

Of the donations and legacies income in 2022, £11,631 related to unrestricted funds and £147,190 related to restricted funds.

..... *continued*

3 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 18 months ended 31 March 2024 £	Total Funds Year ended 30 September 2022 £
Interest on cash deposits	983	-	983	15

All of the investment income in 2022 related to unrestricted funds.

4 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 18 months ended 31 March 2024 £	Total Funds Year ended 30 September 2022 £
CCC Short Breaks income	-	-	-	390,665
Client support income	2,771,335	-	2,771,335	1,439,802
Other income	13,499	-	13,499	29,484
	2,784,834	-	2,784,834	1,859,951

All of the income from charitable activities in 2022 related to unrestricted funds.

5 Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 18 months ended 31 March 2024 £	Total Funds Year ended 30 September 2022 £
Job Retention Scheme Income	-	-	-	15,389

All of the other income in 2022 related to unrestricted funds.

..... *continued*

6 Expenditure

	Charitable activities	Total 18 months ended 31 March 2024	Total Year ended 30 September 2022
	£	£	£
Direct costs			
Employment costs	2,076,448	2,076,448	1,579,926
Insurance	21,530	21,530	18,215
Premises expenses	38,583	38,583	18,899
Maintenance and cleaning	33,563	33,563	36,754
Telephone	10,988	10,988	14,369
IT costs	913	913	5
Printing, postage and stationery	1,886	1,886	1,290
Training	18,428	18,428	8,930
Other expenses	3,454	3,454	10,307
Project costs	25,277	25,277	30,075
Motor and travel	22,876	22,876	14,307
Legal and professional fees	260	260	6,349
Bad debts written off	459	459	-
Depreciation	31,767	31,767	28,349
	2,286,432	2,286,432	1,767,775
Support costs			
Wages and salaries	404,297	404,297	268,908
Staff training	5,637	5,637	240
Insurance	12,472	12,472	3,865
Premises expenses	50,128	50,128	27,659
Maintenance and cleaning	11,695	11,695	3,709
Telephone	9,997	9,997	9,568
IT costs	32,137	32,137	17,451
Printing, postage and stationery	2,503	2,503	5,681
Other expenses	9,827	9,827	5,403
Motor and travel	107	107	1,283
Accountancy fees	20,297	20,297	4,483
Audit fees	13,396	13,396	8,000
Legal and professional fees	40,411	40,411	7,762
Interest payable	4,875	4,875	3,900
Exceptional costs - LGPS deficit transfer	-	-	(2,105,000)
Depreciation	12,580	12,580	3,183
	630,359	630,359	(1,733,905)
	2,916,791	2,916,791	33,870

Of the expenditure in 2022, £201,263 related to unrestricted funds and £235,133 related to restricted funds.

..... continued

7 Government grants

Income from government grants comprises performance related grants made by local authorities totalling £nil (2022 - £390,665).

8 Governance costs

	2024	2022
	£	£
Accountancy fees - 2022	5,887	4,483
Accountancy fees - 2024	14,410	-
Auditors remuneration	13,396	8,000
Legal and professional fees	40,671	14,111
	74,364	26,594

9 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the period.

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the period, analysed by category, was as follows:

	18 months ended 31 March 2024 No.	Year ended 30 September 2022 No.
Management and administration	8	9
Activities in furtherance of charitable objectives	71	92
	79	101

The aggregate payroll costs of these persons were as follows:

	18 months ended 31 March 2024 £	Year ended 30 September 2022 £
Wages and salaries	2,278,974	1,656,256
Social security	162,464	130,521
Other pension costs	39,307	62,057
	2,480,745	1,848,834

One employee received emoluments of more than £80,000 during the period.

The key management personnel comprise the Trustees and the senior managers. The total employee benefits of the key management personnel of the Charity were £466,759 (2022 - £154,782).

Included within wages and salaries are redundancy costs incurred in the period of £18,843 (2022 - £nil).

..... *continued*

11 Tangible fixed assets

	Freehold property £	Long leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
As at 1 October 2022	377,311	644,185	56,695	100,998	1,179,189
Additions	-	-	-	3,287	3,287
As at 31 March 2024	377,311	644,185	56,695	104,285	1,182,476
Depreciation					
As at 1 October 2022	76,972	133,191	53,431	71,052	334,646
Charge for the period	11,319	19,326	1,122	12,580	44,347
As at 31 March 2024	88,291	152,517	54,553	83,632	378,993
Net book value					
As at 31 March 2024	289,020	491,668	2,142	20,653	803,483
As at 30 September 2022	300,339	510,994	3,264	29,946	844,543

12 Debtors

	31 March 2024 £	30 September 2022 £
Trade debtors	167,761	68,765
Prepayments and accrued income	62,593	70,299
	230,354	139,064

..... continued

13 Creditors: Amounts falling due within one year

	31 March 2024 £	30 September 2022 £
Bank loans and overdrafts	-	12
Trade creditors	63,764	78,309
Taxation and social security	30,338	31,929
Other creditors	44,909	19,635
Accruals and deferred income	376,948	51,571
	515,959	181,456

Creditors amounts falling due within one year includes deferred income:

	31 March 2024 £	30 September 2022 £
As at 1 October 2022	(28,697)	46,000
Amount released to incoming resources	(343,410)	(35,029)
Amount deferred in the period	624,629	-
As at 31 March 2024	252,522	10,971

Other loans included in creditors due within 1 year £nil (2022 - £13,675) is an unsecured loan from Keyfund with an interest rate of 6.5% over a five year period.

The charity also had a secured overdraft facility held in the form of a debenture including Fixed Charge over all present freehold property; First Charge over book and other debtors, chattels, goodwill and uncalled capital, both present and future; and First Floating Charge over all assets and undertaking both present and future dated 31 May 2019.

14 Creditors: Amounts falling due after more than one year

	31 March 2024 £	30 September 2022 £
Other creditors	-	1,325

Other loans included in creditors due more than one year of £nil (2022 - £1,325) is an unrestricted loan from Keyfund with an interest rate of 6.5%.

15 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

..... *continued*

16 Operating lease commitments

As at 31 March 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Operating lease	
	31 March 2024 £	30 September 2022 £
Within one year	24,882	24,295
Within two and five years	2,377	35,973
	27,259	60,268

The operating lease expense recognised in the Statement of Financial Activities in the period is £38,027 (2022 - £25,351).

17 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £39,307 (30 September 2022 - £nil).

Contributions totalling £4,815 (30 September 2022 - £5,850) were payable to the scheme at the end of the period and are included in creditors.

Defined benefit pension scheme

In the prior period, the charity contributed into the Cumbria Local Government Pension Scheme, in a multi-employer defined benefit scheme. The Scheme liability was transferred back to Cumbria County Council along with the associated employees via TUPE transfer on completion of the Short Breaks contract on 31 January 2022. As such, no valuation was received prior to transfer. We noted the information in the Trustees report that the liability has been under-written by the Council within the contract.

The assets of the scheme were held separately from those of the company in an independently administered fund. The employers contributions were affected by a surplus or deficit in the scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £nil (2022 - £34,894) prior to the transfer and the full transfer was included as an exceptional cost in the Statement of Financial Activities. See note 12 for more details.

The Local Government Pension Scheme (LGPS) is a statutory scheme established by an Act of Parliament and governed by the Public Services Pensions Act 2013. The scheme is administered in accordance with applicable secondary legislation. Individual funds are managed by designated authorities at a local level.

..... *continued*

Movement in deficit

The movement in the deficit during the period was:

	31 March 2024 £	30 September 2022 £
Deficit at the beginning of the period	-	(2,105,000)
Current service costs	-	(62,057)
Contributions paid	-	62,057
Transfer out of liability	-	2,105,000
Deficit at the end of the period	-	-

Scheme liabilities

Changes in the present value of the scheme liabilities are as follows:

	31 March 2024 £	30 September 2022 £
As at start of period	-	7,505,000
Liabilities transferred out	-	(7,505,000)
As at end of period	-	-

Scheme assets

Changes in the fair value of the scheme assets are as follows:

	31 March 2024 £	30 September 2022 £
As at start of period	-	5,400,000
Assets transferred out	-	(5,400,000)
As at end of period	-	-

..... *continued*

18 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the period, 3 trustees (2022 - 3) were service users of the charity. There are no other related party transactions during the year.

19 Analysis of funds

	At 1 October 2022	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General Funds					
General Funds	927,931	2,887,228	(2,787,504)	364	1,028,019
Restricted Funds					
AAS Big Lottery	-	96,450	(96,450)	-	-
Children in Need	-	24,450	(21,198)	-	3,252
Other Restricted Funds	364	-	-	(364)	-
CCC - HAF days out	-	6,639	(6,639)	-	-
Grace Little Centre	5,000	-	(5,000)	-	-
	5,364	127,539	(129,287)	(364)	3,252
	933,295	3,014,767	(2,916,791)	-	1,031,271

Restricted funds:

AAS Big Lottery – To help reduce loneliness, increase activity and opportunities to make friends for people with learning disabilities by setting up a hub, providing leisure and sporting activities in the community.

Children in Need – Grant income provided for children's holidays.

Grace Little Centre - A grant to cover repair and paint works of the centre.

HAF - Provide healthy meals and holiday activities.

20 Transfers

The transfer of £364 between Other Restricted Funds and General Funds represents an underspend on restricted funds brought forward.

..... *continued*

Prior period

	At 1 October 2021	Incoming resources	Resources expended	Other recognised gains/(losses)	At 30 September 2022
	£	£	£	£	£
General Funds					
General Funds	944,682	1,886,986	(1,903,737)	-	927,931
Pension Reserve	(2,105,000)	-	2,105,000	-	-
	(1,160,318)	1,886,986	201,263	-	927,931
Restricted Funds					
Sobell Foundation	3,471	-	(3,471)	-	-
AAS Big Lottery	29,191	46,900	(76,091)	-	-
English Lakes	797	-	(797)	-	-
Children in Need	21,453	-	(21,453)	-	-
Other restricted funds	9,610	-	(9,246)	-	364
Infection control grants	-	22,184	(22,184)	-	-
CCC - Hoist	-	-	-	-	-
Sport England - around the world challenge	-	1,974	(1,974)	-	-
Cumbria Foundation - Covid 19 Response	20,000	-	(20,000)	-	-
Heritage Lottery Fund - hearing our voice	3,385	-	(3,385)	-	-
CCC - HAF school meals	3,340	-	(3,340)	-	-
Workforce training grant	2,060	-	(2,060)	-	-
CCC - Market Sustainability Grant	-	54,200	(54,200)	-	-
CCC - Targeted Short Breaks	-	5,483	(5,483)	-	-
CCC - HAF days out	-	2,780	(2,780)	-	-
Grace Little Centre	-	5,000	-	-	5,000
Workforce recruitment and retention	-	8,669	(8,669)	-	-
	93,307	147,190	(235,133)	-	5,364
	(1,067,011)	2,034,176	(33,870)	-	933,295

..... *continued*

21 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 31 March 2024	Total Funds 30 September 2022
	£	£	£	£
Tangible assets	803,483	-	803,483	844,543
Current assets	735,326	8,421	743,747	271,533
Creditors: Amounts falling due within one year	(510,790)	(5,169)	(515,959)	(181,456)
Creditors: Amounts falling due after more than one year	-	-	-	(1,325)
Pension liabilities	-	-	-	-
Net assets	1,028,019	3,252	1,031,271	933,295

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	844,543	-	844,543	866,822
Current assets	253,119	18,414	271,533	470,384
Creditors: Amounts falling due within one year	(168,406)	(13,050)	(181,456)	(284,217)
Creditors: Amounts falling due after more than one year	(1,325)	-	(1,325)	(15,000)
Pension liabilities	-	-	-	(2,105,000)
Net assets	927,931	5,364	933,295	(1,067,011)

CARLISLE MENCAP LIMITED

England & Wales - Charity number 1115348

Accounts

Carlisle Mencap Limited

(A company limited by guarantee)

Annual Report and Financial Statements

30 September 2022

Company registration number: 05595628
Charity registration number: 1115348

Carlisle Mencap Limited

Contents

Reference and Administrative Details	1
Trustees' report	2
Trustees' responsibilities in relation to the financial statements	7
Independent auditors' report	8
Statement of financial activities	12
Balance sheet	13
Cash flow statement	14
Notes to the financial statements	15

Carlisle Mencap Limited

Reference and Administrative Details

Charity name	Carlisle Mencap Limited	
Charity registration number	1115348	
Company registration number	05595628	
Registered office	Unit J3 Duchess Avenue Kingmoor Park North CARLISLE CA6 4SN	
Trustees	C Bowditch, Chair	
	G Ternent, Treasurer	
	T Baty	
	E Harkness, Vice Chair	
	J Harland	
	L Power	(Resigned 22 November 2021)
	C Bowman	
	C Thompson	(Resigned 22 February 2022)
	S Bowditch	
	A Fletcher	(Resigned 19 October 2021)
	N Steel	
	N Braiden	
	I Roberts-Green	(Resigned 22 February 2022)
	S McBean	
Secretary	C Burn	
Bankers	HSBC plc PO Box 5 29 English Street CARLISLE CA3 8JW	
	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill WEST MALLING ME19 4JQ	
Auditor	Dodd & Co Audit Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW	

Carlisle Mencap Limited

Trustees' Report for the Year Ended 30 September 2022

Carlisle Mencap Limited – Trustees Report

The Trustees present their annual report together with the audited financial statements of Carlisle Mencap Limited for the period 1 October 2021 to 30 September 2022. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report Regulations 2013) has been omitted.

Introduction

2021/22 has been a challenging and changing year for the charity as it has been for the sector in general with a difficult resourcing market, and a slow return to a new normal following the pandemic. The staff have continued to deliver outstanding services and we are continually grateful for their perseverance and hard work.

It has been the first full year of operation for our new CEO and senior management team, and good progress has been made on establishing more surety around our financial controls and in moving the organisation to a more sustainable financial position. This has been a solid foundation year which enables us to forecast a small surplus for the new financial year for the first time in more than 7 years.

Objectives and activities

a. Policies and objectives

The organisation's policy is to improve the lives of people with learning disabilities in Cumbria by providing life long, quality and person-centred support.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2).

b. Strategies for achieving objectives

Strategies for the charity include:

1. The continual improvement of our existing services and the further extension of those services to new clients and new areas.
2. Working in collaboration with other organisations and consortia to increase our services and reach across a wider part of the county.
3. Diversifying income generation from non-statutory sources; a fundraiser is now in place to this end.
4. Implementation of a new staffing structure across the organisation to reduce expenditure.

c. Activities undertaken to achieve objectives

Notable achievements -

- We provided 24x7 support to 9 adults in 4 Supported Living houses and agreed to take on an additional house (delayed until 2023).
- The respite service we provide from California House has performed well despite significant staffing challenges and the need to continue to operate with infection control restrictions.
- We bid for, and won, a renewed but revised contract with Cumbria CC which separates out NHS beds from CCC beds.
- The children's respite service from Grace Little Centre was closed due to staffing. We continued to provide several other services using the facility and used it as a training and meeting centre too.

- We provided Children's respite services from centres in Penrith and Ulverston until January 2022 when they returned to Cumbria Council.
- There have been no inspection reports for any services during the 12 months.
- We provided Adult and Children's Community Outreach services.
- Continued our well-established Children's clubs and Targeted Short Breaks activities in school holidays and at weekends.
- Delivered a programme of Children In Need grant funded holiday.
- Successfully delivered the Department of Education Holiday and Food programme HAF, in Carlisle.
- Established the county wide New Family Autism Service.
- Delivered a programme of Early Positive Approaches to Support, EPAtS for families in the South Cumbria.
- Continued to deliver Sunday Active and the Independence Studio, and a programme of social events for adults.

Trustees have met regularly to review the operational performance, financial position and the strategy going forward.

Achievements and performance

a. Review of activities

During 2021/22 the organisation has continued its core activities and developed some new services, these include:

California House

Residential respite care for adults with learning disabilities. The house has five guest bedrooms, two are fully accessible for those with profound physical disabilities. The house is open 365 days a year. This service is funded on a block purchase system.

Community Support Adults

We provide services for adults in the community. Services provided can be very varied - from helping someone to go shopping, supporting people to do leisure activities, to spending entire days with clients supporting all of their daily activities.

Supported Living

We supply 24 hour support in the community for nine clients in their own homes.

Children's Services including:

Grace Little Centre

The centre continued to be used for a variety of services including Independence Studio, Children's Outreach activities, holiday activity clubs, training and group meetings.

Residential Respite

Hart Street, Ulverston and Huntley Avenue, Penrith, two very well established respite homes, were managed until the end of January 2022 when they were returned to Cumbria County Council. The homes run full time with around 100 children accessing them.

Children's Community Support

We support young people in the community whilst their parents take a break. We either take care of the children at home or take them out in to the community to do an activity. This has been reduced due to the pandemic.

Activators Club and Holiday Play Schemes

We are commissioned by NHS to provide short term non-residential care for disabled children. These services were particularly curtailed during the pandemic. However, we have resumed full activity levels this year.

Targeted Short Breaks holiday and weekend activities

We are commissioned by Cumbria County Council to run a programme of holiday and weekend activities for children with additional needs. We deliver a needs led, inclusive range of fun activities and a regular Sunday Club.

Holiday and Food Programme HAF

Alongside our ICB funded holiday club activities we provide food and promote health and wellbeing to children and their families funded by the Department of Education.

Early Positive Approaches to Support. EPAtS

Funded by Lancashire and South Cumbria ICB, we delivered the Tizard Centre programme of pre-diagnosis support to parent of children under five years of age.

Children In Need Holidays

We are grant funded to provide six annual holidays for children with additional needs.

Cumbria Autism Family Support Project

Four part-time Autism Advisors support families with children on the autistic spectrum. The workers advise, educate and signpost and run collaborative workshops. This service covers the whole of Cumbria. This has continued to operate throughout the pandemic.

Doves Caf

This was closed during the year – we are looking at how we can incorporate an alternative service with a meeting hub, which will require a different location.

The Independence Studio

This is a social enterprise based on film making and art which operates from the Grace Little Centre, three days a week.

b. Fundraising activities and income generation

The charity does not use any outside fundraisers. Main fundraising activities, are grant applications undertaken by the CEO and wider management team. We also have a fundraising and events officer on the payroll whose responsibility is to organise fundraising events and work with the local business community.

c. Investment policy and performance

The organisation adopts a cautious approach to investment and funds are held in savings accounts which are deemed to be low risk and available as contingency.

Financial Review

a. Going concern

The pensions liability linked to the Cumbria County Council contracts for Children's short breaks has now transferred back to the Council at the end of the contracts (31/01/2022). Staff associated with the contracts also transferred back under TUPE. The financial position has improved steadily throughout the year and the combination of existing contracts, significant and growing demand for the services we can offer, and new seedling services we have won, gives the Trustees renewed confidence in the sustainability of the charity.

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The policy of the charity is to maintain enough reserves to continue operations for three months. Three months running costs are £390,000, which includes essential staffing to maintain services, housekeeping, rentals, insurances and registration costs. Reserves are monitored by the Trustees bi-monthly.

Free reserves are £83,388. The Trustees continue to work to replenish the free reserves over the coming years.

c. Principal funding

The financial constraints indicated from national and local government, COVID-19 and the national health and social care resourcing pressures make it difficult to plan services ahead. However, we have been pleased to generate a sound income for the year. Trustees chose to use funds from services to fund additional charitable activities. Cumbria County Council contracts are still the major funding source and because of uncertainty and expected constraints on local authority funding we continue to look at diversification of our income from other sources, including direct fundraising and a variety of grants. We have employed a fundraiser to support income generation.

d. Results for the year

The results for the year show a surplus of £2,000,306. This includes an exceptional item of £2,105,000 described further in note 12. Removing this shows an excess of expenditure over income of £104,694. Overall funds carried forward amount to a £933,295, being restricted funds of £5,364 and unrestricted funds of £927,931.

Structure, governance and management

a. Constitution

Carlisle Mencap Limited is registered as a charitable company limited by guarantee and was set up by Memorandum of Association. The company is constituted under a Memorandum of Association and is a registered charity number 1115348. The company was incorporated on and commenced trading on that date.

The objectives of the society are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers, and to prevent learning disabilities for the public benefit and to advance religion amongst persons with learning disability;
- to provide and assist in the provision of facilities for the recreation or other leisure time occupation for people who have the need thereof by reason of learning disability with the object of improving their conditions of life.

There have been no changes in the objectives since the last annual report.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Trustees meet bi-monthly to discuss policy and strategy. There is an additional finance sub-committee which meets as and when required to discuss some matters in further depth. The CEO is line managed by the Trustees. The CEO has the day to day running of the organisation - she is supported by a COO and 4 service managers who manage the staff teams.

d. Policies adopted for the induction and training of Trustees

Trustees are inducted and given training in their role by the Chief Officer. All take part in child protection training.

e. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

f. Future developments

The CEO is now established in post and will work with the Board of Trustees over the coming year to strategically review the companies purpose in an ever changing landscape.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 17 January 2023 and signed on its behalf by:

C Bowditch
Trustee

Carlisle Mencap Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Carlisle Mencap Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which 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 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Independent Auditors' Report to the Members of

Carlisle Mencap Limited

Qualified Opinion

We have audited the financial statements of Carlisle Mencap Limited for the year ended 30 September 2022 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes, 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, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs at 30 September 2022 and it's 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

Included within the closing Statement of Financial Activities as at 30 September 2022 is an exceptional item totalling £2,105,000, increasing the reported surplus by the same amount. This item relates to the transfer of the Local Government Pension Scheme (LGPS) liability from the charitable company upon completion of a service contract. We were unable to obtain sufficient appropriate audit evidence to ascertain the movement in the pension liability valuation between the previous year end of 30 September 2021 and the transfer date of 31 January 2022. The total movement of £2,105,000 through the Statement of Financial Activities in the period was confirmed however we were unable to confirm the presentational split between transfer value, actuarial gains/losses and service costs.

Consequently, these uncertainties resulted in an inability to determine whether the balance included was free from material misstatement.

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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and 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.

Material uncertainty related to going concern

We draw attention to note 1, Going Concern in the financial statements, which summarises that whilst the charity's total reserves have increased significantly compared to the prior year due to the transfer of the LGPS liability from the charity to the Council, there are continued deficits and low free reserves available compared to the reserves policy. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of these matters.

Other information

The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

..... *continued*

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effetcs of the matters described in the basis for qualified opion section of our report, in our opinion, based on the work undertaken in the course of the audit:

• the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

• the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Notwithstanding our qualified opinion on the financial statements, in the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

Arising from the limitation of our audit work referred to in our qualified opinion on the financial statements:

• we have not received all the information and explanations we require for our audit.

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:

- certain disclosures of trustees' remuneration specified by law are not made; or
- 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.

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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 controls as they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

..... *continued*

Our 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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and charitable company's performance
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant internal specialists, including pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition and management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Charities Act, pensions legislation, tax legislation and OFSTED regulations.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

..... *continued*

Use of our report

This report is made solely to the charity'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 charity'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 charity and its members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Joanne Thomlinson (Senior Statutory Auditor)
For and on behalf of Dodd & Co Audit Limited, Statutory Auditor

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

17 January 2023

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Carlisle Mencap Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 30 September 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Income and endowments from:					
Donations and legacies	2	11,631	147,190	158,821	227,691
Investments	3	15	-	15	-
Charitable activities	4	1,859,951	-	1,859,951	2,584,049
Other income	5	15,389	-	15,389	69,228
Total income and endowments		1,886,986	147,190	2,034,176	2,880,968
Expenditure on:					
Charitable activities		1,903,737	235,133	2,138,870	3,039,501
Exceptional costs		(2,105,000)	-	(2,105,000)	-
Total expenditure		(201,263)	235,133	33,870	3,039,501
Net income/(expenditure) before transfers		2,088,249	(87,943)	2,000,306	(158,533)
Transfers					
Transfers between funds		-	-	-	-
Net income/(expenditure) before other recognised gains and losses		2,088,249	(87,943)	2,000,306	(158,533)
Other recognised gains/losses					
Actuarial gains on defined benefit pension schemes		-	-	-	310,000
Net movements in funds		2,088,249	(87,943)	2,000,306	151,467
Reconciliation of funds					
Total funds brought forward		(1,160,318)	93,307	(1,067,011)	(1,218,478)
Total funds carried forward		927,931	5,364	933,295	(1,067,011)

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 15 to 31 form an integral part of these financial statements.

Carlisle Mencap Limited

Company registration number: 05595628

Balance Sheet as at 30 September 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	13		844,543		866,822
Current assets					
Debtors	14	139,064		160,088	
Cash at bank and in hand		132,469		310,296	
		271,533		470,384	
Creditors: Amounts falling due within one year	15	(181,456)		(284,217)	
Net current assets			90,077		186,167
Total assets less current liabilities			934,620		1,052,989
Creditors: Amounts falling due after more than one year	16		(1,325)		(15,000)
Net assets excluding pension liabilities			933,295		1,037,989
Pension liabilities	19		-		(2,105,000)
Net assets/(liabilities) including pension liabilities			933,295		(1,067,011)
The funds of the charity:					
Restricted funds			5,364		93,307
Unrestricted funds					
Unrestricted income funds			927,931		(1,160,318)
Total charity funds			933,295		(1,067,011)

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

Approved by the Board on 17 January 2023 and signed on its behalf by:

C Bowditch
Trustee

G Ternent
Trustee

The notes on pages 15 to 31 form an integral part of these financial statements.

Carlisle Mencap Limited

Cash Flow Statement for the Year Ended 30 September 2022

	2022 £	2021 £
Net cash provided by (used by) operating activities		
Net income/(expenditure) for the period	2,000,306	(158,533)
Depreciation charges	31,532	32,570
Loss on the sale of fixed assets	-	8,002
Decrease in debtors	21,024	98,488
Decrease in creditors	(104,436)	(22,885)
Decrease in provisions	(2,105,000)	(180,000)
	(156,574)	(222,358)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(9,253)	(12,709)
Other investment income	-	310,000
	(9,253)	297,291
Repayment of borrowings	(12,000)	(12,000)
(Decrease)/increase in cash	(177,827)	62,933

The notes on pages 15 to 31 form an integral part of these financial statements.

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (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.

Basis of preparation

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

At the balance sheet date, the reserves of the charity were £933,295 (2021 - £1,067,011 in deficit). Free reserves stood at £83,388 (2021 - £77,860). This is due to the charity being able to transfer a LGPS liability totalling £2,105,000 back to Cumbria County Council following the termination of the Short Breaks contract at the end of January 2022, in which staff were transferred via TUPE to the charity. The charity took on the responsibilities and benefits of these staff members. The transfer of liability is included as an exceptional item within the Statement of Financial Activities.

During the year, the charity made a deficit of £104,694 (2021 - £158,533 deficit) after excluding the exceptional item relating the LGPS liability transfer above.

The trustees have considered both the operational and financial position of the charity for a period beyond 12 months from the date of signing these financial statements. Efforts are being made to reduce costs where possible, but they believe that, after the cessation of the Short Breaks contracts and completing a review of the charity's efficiencies, deficits should reduce over the coming periods with the aim of replenishing free reserves and returning to break even in the near future.

The trustees believe there to be sufficient resources to continue for the coming 12-month period on this basis and are committed to ensuring the charity returns to a surplus to replenish free reserves and enable it to provide a safe environment for all their service users and families. On this basis, they consider the going concern basis appropriate.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 21.

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Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administor/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% straight line basis
Long leasehold property	2% straight line basis
Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis or 25% straight line basis

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

The charity operated a defined benefit pension scheme during the period but all liabilities were transferred back to Cumbria County Council along with the associated staff via TUPE transfer upon completion of the Short Breaks contract in January 2022.

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Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations and legacies				
Donations	9,631	5,000	14,631	9,990
Grants				
Grants	2,000	142,190	144,190	217,701
	11,631	147,190	158,821	227,691

Of the donations and legacies income in 2021, £9,990 related to unrestricted funds and £217,701 related to restricted funds.

3 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Interest on cash deposits	15	-	15	-

..... *continued*

4 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
CCC Short Breaks income	390,665	-	390,665	1,256,495
Client support income	1,439,802	-	1,439,802	1,300,713
Other income	29,484	-	29,484	26,841
	1,859,951	-	1,859,951	2,584,049

All of the income from charitable activities in 2021 related to unrestricted funds.

5 Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Job Retention Scheme Income	15,389	-	15,389	69,228

All of the other income in 2021 related to unrestricted funds.

..... *continued*

6 Expenditure

	Charitable activities	Exceptional costs	Total 2022	Total 2021
	£	£	£	£
Direct costs				
(Profit)/loss on disposal of tangible fixed assets	-	-	-	719
Employment costs	1,579,926	-	1,579,926	2,297,946
Insurance	18,215	-	18,215	21,099
Premises expenses	18,899	-	18,899	26,800
Maintenance and cleaning	36,754	-	36,754	42,520
Telephone	14,369	-	14,369	19,136
IT costs	5	-	5	491
Printing, postage and stationery	1,290	-	1,290	3,088
Training	8,930	-	8,930	13,249
Other expenses	10,307	-	10,307	21,093
Project costs	30,075	-	30,075	55,949
Motor and travel	14,307	-	14,307	22,189
Legal and professional fees	6,349	-	6,349	11,872
Pension costs	-	-	-	39,000
Depreciation	28,349	-	28,349	28,117
	1,767,775	-	1,767,775	2,603,268
Support costs				
Wages and salaries	268,908	-	268,908	279,630
Staff training	240	-	240	6,284
Insurance	3,865	-	3,865	7,404
Premises expenses	27,659	-	27,659	29,150
Maintenance and cleaning	3,709	-	3,709	2,086
Telephone	9,568	-	9,568	6,354
IT costs	17,451	-	17,451	17,155
Printing, postage and stationery	5,681	-	5,681	10,128
Other expenses	5,403	-	5,403	2,621
Motor and travel	1,283	-	1,283	7,758
Accountancy fees	4,483	-	4,483	4,560
The audit of the charity's annual accounts	8,000	-	8,000	9,450
Legal and professional fees	7,762	-	7,762	38,017
Interest payable	3,900	-	3,900	3,900
Exceptional costs - LGPS deficit transfer	-	(2,105,000)	(2,105,000)	-
Depreciation	3,183	-	3,183	4,453
(Profit)/loss on sale of tangible fixed assets held for charity's own use	-	-	-	7,283
	371,095	(2,105,000)	(1,733,905)	436,233
	2,138,870	(2,105,000)	33,870	3,039,501

Of the expenditure in 2021, £2,891,200 related to unrestricted funds and £148,301 related to restricted funds.

..... *continued*

7 Government grants

Income from government grants comprises performance related grants made by local authorities totalling £390,665 (2021 - £1,256,495). See notes 4 and 21 for more details.

8 Governance costs

	2022	2021
	£	£
Accountancy fees	4,483	4,560
Auditors remuneration	8,000	9,450
Legal and professional fees	14,111	49,889
	26,594	63,899

9 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the year.

10 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

	2022		2021	
	£	£	£	£
Auditors' remuneration - audit services		8,000		9,450
(Profit)/loss on disposal of tangible fixed assets		-		8,002
Depreciation of tangible fixed assets		31,532		32,570

..... *continued*

11 Employees' remuneration

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

	2022 No.	2021 No.
Management and administration	9	11
Activities in furtherance of charitable objectives	92	122
	101	133

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Wages and salaries	1,656,256	2,200,300
Social security	130,521	157,766
Other pension costs	62,057	219,510
	1,848,834	2,577,576

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees and the senior managers. The total employee benefits of the key management personnel of the Charity were £154,782 (2021 - £189,132).

12 Exceptional costs

An exceptional item totalling £2,105,000 credit has been included within the costs of the charity and shown separately on the face of the Statement of Financial Activities in accordance with SORP 4.18. The charity has previously recognised a Local Government Pension Scheme (LGPS) defined benefit liability on the balance sheet, with the value amended each year. Upon completion of the Cumbria County Council Short Breaks contracts at the end of January 2022, the relevant employees were TUPE transferred from the charity's payroll scheme to the Council. As part of the transfer, the charity's obligations in relation to the pension scheme and its deficit also transferred to the Council.

The deficit was valued at £2,105,000 at 30 September 2021 and the full liability has been removed from the Balance Sheet and included as an exceptional item in the Statement of Financial Activities this year. No final valuation and detailed scheme movement was received to ensure correct presentation of scheme costs and any actuarial gain or loss. See note 19 for more details.

..... *continued*

13 Tangible fixed assets

	Freehold property £	Long leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
As at 1 October 2021	377,311	644,185	56,695	91,745	1,169,936
Additions	-	-	-	9,253	9,253
As at 30 September 2022	377,311	644,185	56,695	100,998	1,179,189
Depreciation					
As at 1 October 2021	69,426	120,307	52,343	61,038	303,114
Charge for the year	7,546	12,884	1,088	10,014	31,532
As at 30 September 2022	76,972	133,191	53,431	71,052	334,646
Net book value					
As at 30 September 2022	300,339	510,994	3,264	29,946	844,543
As at 30 September 2021	307,885	523,878	4,352	30,707	866,822

14 Debtors

	2022 £	2021 £
Trade debtors	68,765	50,086
Prepayments and accrued income	70,299	110,002
	139,064	160,088

..... continued

15 Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	12	-
Trade creditors	78,309	60,603
Taxation and social security	31,929	36,040
Other creditors	19,635	22,467
Accruals and deferred income	51,571	165,107
	181,456	284,217

Creditors amounts falling due within one year includes deferred income:

	2022 £	2021 £
As at 1 October 2021	46,000	114,505
Amount released to incoming resources	(35,029)	(114,505)
Amount deferred in the year	-	35,029
As at 30 September 2022	10,971	35,029

Other loans included in creditors due within 1 year £13,675 (2021 - £12,000) is an unsecured loan from Keyfund with an interest rate of 6.5% over a five year period.

The charity also had a secured overdraft facility held in the form of a debenture including Fixed Charge over all present freehold property; First Charge over book and other debtors, chattels, goodwill and uncalled capital, both present and future; and First Floating Charge over all assets and undertaking both present and future dated 31 May 2019.

16 Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Other creditors	1,325	15,000

Other loans included in creditors due more than one year of £1,325 (2021 - £15,000) is an unrestricted loan from Keyfund with an interest rate of 6.5%.

17 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

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18 Operating lease commitments

As at 30 September 2022 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Operating lease	
	2022	2021
	£	£
Within one year	24,295	25,685
Within two and five years	35,973	60,267
	60,268	85,952

19 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £nil (2021 - £106,919).

Contributions totalling £5,850 (2021 - £5,381) were payable to the scheme at the end of the period and are included in creditors.

Defined benefit pension scheme

As from 1 February 2017, the charity also contributed into the Cumbria Local Government Pension Scheme, in a multi-employer defined benefit scheme. The Scheme liability was transferred back to Cumbria County Council along with the associated employees via TUPE transfer on completion of the Short Breaks contract on 31 January 2022. As such, no valuation was received prior to transfer. We note the information in the Trustees report that the liability has been under-written by the Council within the contract.

The assets of the scheme were held separately from those of the company in an independently administered fund. The employers contributions are affected by a surplus or deficit in the scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £nil (2021 - £103,000) prior to the transfer and the full transfer has been included as an exceptional cost in the Statement of Financial Activities. See note 12 for more details.

The Local Government Pension Scheme (LGPS) is a statutory scheme established by an Act of Parliament and governed by the Public Services Pensions Act 2013. The scheme is administered in accordance with applicable secondary legislation. Individual funds are managed by designated authorities at a local level.

Principal actuarial assumptions

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2022	2021
Discount rate for scheme assets	-	2.00%
Rate of increase in salaries	-	4.40%
Rate increase for pensions in payment/inflation	-	3.00%
Inflation assumptions (CPI)	-	2.90%

..... continued

Mortality rates (in years)	2022 Years	2021 Years
Current UK pensioners retirement age - male	-	22.7
Current UK pensioners age - female	-	25.3
Future UK pensioners age - male	-	24.3
Future UK pensioners age - female	-	27.2

Sensitivity analysis

Deficit impact of:	2022 £	2021 £
Discount rate +0.1%	-	(1,960,000)
CPI rate +0.1%	-	(2,252,000)
Pay growth +0.1%	-	(2,134,000)
Mortality rate - 1 year increase	-	(2,328,000)
Change in investment returns +1%	-	(2,050,000)
Change in investment returns -1%	-	(2,160,000)

Analysis of assets

The major categories of scheme assets are as follows:

	2022 £	2021 £
Equity instruments	-	1,139,000
Government bonds	-	515,000
Property	-	234,000
Cash	-	47,000
Other	-	1,024,000

The actual return on scheme assets was £nil (2021 - £743,000)

Movement in deficit

The movement in the deficit during the period was:

	2022 £	2021 £
Deficit at the beginning of the year	(2,105,000)	(2,285,000)
Current service costs	(62,057)	(190,000)
Contributions paid	62,057	103,000
Interest costs	-	(117,000)
Interest income	-	78,000
Administrative expenses	-	(4,000)
Transfer out of liability	2,105,000	-
Actuarial gains	-	310,000
Deficit at the end of the year	-	(2,105,000)

..... *continued*

Scheme liabilities

Changes in the present value of the scheme liabilities are as follows:

	2022 £	2021 £
As at start of year	7,505,000	6,874,000
Current service costs	-	190,000
Interest costs	-	117,000
Contributions by scheme participants	-	29,000
Actuarial losses	-	355,000
Benefits paid	-	(60,000)
Liabilities transferred out	(7,505,000)	-
As at end of year	-	7,505,000
Present value of unfunded scheme liabilities	-	7,505,000

Scheme assets

Changes in the fair value of the scheme assets are as follows:

	2022 £	2021 £
As at start of year	5,400,000	4,589,000
Expected return on scheme assets	-	78,000
Actuarial (losses)/gains	-	665,000
Administrative expenses	-	(4,000)
Contributions by the employer	-	103,000
Contributions by scheme participants	-	29,000
Benefits paid	-	(60,000)
Assets transferred out	(5,400,000)	-
As at end of year	-	5,400,000

..... *continued*

20 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year, 3 trustees (2020 - 3) were service users of the charity. There are no other related party transactions during the year.

21 Analysis of funds

	At 1 October 2021	Incoming resources	Resources expended	Other recognised gains/(losses)	At 30 September 2022
	£	£	£	£	£
General Funds					
General Funds	944,682	1,886,986	(1,903,737)	-	927,931
Pension Reserve	(2,105,000)	-	2,105,000	-	-
	(1,160,318)	1,886,986	201,263	-	927,931
Restricted Funds					
Sobell Foundation	3,471	-	(3,471)	-	-
AAS Big Lottery	29,191	46,900	(76,091)	-	-
English Lakes	797	-	(797)	-	-
Children in Need	21,453	-	(21,453)	-	-
Other Restricted Funds	9,610	-	(9,246)	-	364
Infection control grants	-	22,184	(22,184)	-	-
CCC - Hoist	-	-	-	-	-
Sport England - around the world challenge	-	1,974	(1,974)	-	-
Cumbria Foundation - Covid-19 Response	20,000	-	(20,000)	-	-
Heritage Lottery Fund - hearing our voice	3,385	-	(3,385)	-	-
CCC - HAF school meals	3,340	-	(3,340)	-	-
Workforce training grant	2,060	-	(2,060)	-	-
CCC - Market Substainability Grant	-	54,200	(54,200)	-	-
CCC - Targeted Short Breaks	-	5,483	(5,483)	-	-
CCC - HAF days out	-	2,780	(2,780)	-	-
Grace Little Centre	-	5,000	-	-	5,000
Workforce recruitment and retention	-	8,669	(8,669)	-	-
	93,307	147,190	(235,133)	-	5,364
	(1,067,011)	2,034,176	(33,870)	-	933,295

..... *continued*

Restricted funds:

Sobell Foundation - A contribution to Doves café costs including the purchase of the coffee machine.

AAS Big Lottery – To help reduce loneliness, increase activity and opportunities to make friends for people with learning disabilities by setting up a hub, providing leisure and sporting activities in the community.

English Lakes – Grant funding to provide play (a swing) and sensory equipment at Huntley Avenue Children's Home.

Children in Need – Grant income provided for children's holidays.

Other Restricted Funds – Made up at the year end of several trivial funds. These largely relate to Covid-19 support grants, to support care services during the pandemic.

Infection control grants – The main purpose of this fund is to support adult social care providers to reduce the rate of COVID-19 transmission in and between care homes.

CCC – Hoist – Grant received to fund the costs relating to the purchase of the hoist in California House.

Sport England – around the world challenge – A fund designed to support and encourage members to keep fit.

Cumbria Foundation – Covid-19 Response – This fund relates to grants received to support care services during the pandemic, for example sick cover needed in relation to Covid-19, as well as the extra cleaning costs needed.

Heritage Lottery Fund – hearing our voice – A project that focuses on Mencap's clients making a video of how the pandemic has affected their lives.

CCC – HAF school meals – Grant used to provide children meals during the holiday periods.

Workforce training grant – A grant designed to develop the knowledge and skills of Mencap's workforce.

CCC - Market sustainability grant - A grant designed to secure the longevity of the charity, utilised to enhance staff salaries and thus recruitment and retention of staff for adult social care.

CCC - Targeted short breaks - A grant to provide funding for targetted short break activities and days out for children with disabilities.

Grace Little Centre - A grant to cover repair and paint works of the centre.

Workforce recruitment and retention - Grant received to attract and retain staff in the sector.

..... continued

Prior period

	At 1 October 2020	Incoming resources	Resources expended	Transfers	Other recognised gains/(losses)	At 30 September 2021
	£	£	£	£	£	£
General Funds						
General Funds	1,036,346	2,663,267	(2,761,200)	6,269	-	944,682
Pension Reserve	(2,285,000)	-	(130,000)	-	310,000	(2,105,000)
	(1,248,654)	2,663,267	(2,891,200)	6,269	310,000	(1,160,318)
Restricted Funds						
Gannet Foundation (Sensory Equipment)	4,360	-	(4,360)	-	-	-
Sobell Foundation	4,309	-	(838)	-	-	3,471
Heritage Lottery Fund Royal Mencap (Virtual Marathon)	500	-	(500)	-	-	-
AAS Big Lottery	9,410	46,035	(26,254)	-	-	29,191
Children's ShortBreaks and Autism English Lakes	797	-	-			797
Children in Need	-	23,971	(2,518)			21,453
Cumbria Youth Alliance - Emotional Resilience	-	3,000	(3,000)	-	-	-
Police CC - Think Safe, Keep Safe	-	3,000	(3,000)	-	-	-
Other restricted funds	10,800	10,985	(12,175)	-	-	9,610
Royal Mencap Society - let's get digital	-	2,700	(2,000)	(700)	-	-
PCC - Covid 19 Recovery	-	4,700	(4,700)	-	-	-
Community Fund		63,080	(63,080)	-	-	-
Infection control grants						
CCC - Hoist	-	5,000	(436)	(4,564)	-	-
Sport England - around the world challenge	-	3,948	(3,948)	-	-	-
Cumbria Foundation - Covid 19 Response	-	20,000	-	-	-	20,000
Royal Mencap - healthier me project	-	3,500	(3,500)	-	-	-

..... *continued*

Heritage Lottery Fund - hearing our voice	-	10,000	(5,610)	(1,005)	-	3,385
CCC - HAF school meals	-	6,982	(3,642)	-	-	3,340
Workforce training grant	-	6,800	(4,740)	-	-	2,060
Active Cumbria	-	4,000	(4,000)			-
	30,176	217,701	(148,301)	(6,269)	-	93,307
	(1,218,478)	2,880,968	(3,039,501)	-	310,000	(1,067,011)

22 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	844,543	-	844,543	866,822
Current assets	253,119	18,414	271,533	470,384
Creditors: Amounts falling due within one year	(168,406)	(13,050)	(181,456)	(284,217)
Creditors: Amounts falling due after more than one year	(1,325)	-	(1,325)	(15,000)
Pension liabilities	-	-	-	(2,105,000)
Net assets	927,931	5,364	933,295	(1,067,011)

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	866,822	-	866,822	894,685
Current assets	350,077	120,307	470,384	505,939
Creditors: Amounts falling due within one year	(272,217)	(12,000)	(284,217)	(307,102)
Creditors: Amounts falling due after more than one year	-	(15,000)	(15,000)	(27,000)
Pension liabilities	(2,105,000)	-	(2,105,000)	(2,285,000)
Net assets	(1,160,318)	93,307	(1,067,011)	(1,218,478)

CARLISLE MENCAP LIMITED

England & Wales - Charity number 1115348

Accounts

Carlisle Mencap Limited

(A company limited by guarantee)

Annual Report and Financial Statements

30 September 2021

Company registration number: 05595628
Charity registration number: 1115348

Carlisle Mencap Limited

Contents

Reference and Administrative Details	1
Trustees' report	3
Trustees' responsibilities in relation to the financial statements	7
Independent auditors' report	8
Statement of financial activities	12
Balance sheet	13
Cash flow statement	14
Notes to the financial statements	15

Carlisle Mencap Limited

Reference and Administrative Details

Charity name	Carlisle Mencap Limited
Charity registration number	1115348
Company registration number	05595628
Registered office	Unit J3 Duchess Avenue Kingmoor Park North CARLISLE CA6 4SN
Trustees	C Bowditch, Chair G Ternent, Treasurer T Baty E Harkness, Vice Chair J Harland L Power (Resigned 22 November 2021) C Bowman C Thompson (Resigned 22 February 2022) S Bowditch A Fletcher (Resigned 19 October 2021) N Steel N Braiden I Roberts-Green (Resigned 22 February 2022) S McBean
Secretaries	S Gregory (Resigned 30 June 2021) C Burn (Appointed 1 July 2021)

Carlisle Mencap Limited

Reference and Administrative Details

Bankers	HSBC plc PO Box 5 29 English Street CARLISLE CA3 8JW CAF Bank Ltd 25 Kings Hill Avenue Kings Hill WEST MALLING ME19 4JQ
Auditor	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Carlisle Mencap Limited – Trustees Report

The Trustees present their annual report together with the audited financial statements of Carlisle Mencap Limited for the period 1 October 2020 to 30 September 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report Regulations 2013) has been omitted.

Introduction

2020/21 has been a very challenging year for the charity, like for all others involved in social care due to COVID-19. Some services were curtailed due to the pandemic infection control measures and others, like supported living, have been increased. The majority of the staff team have continued to work throughout responding admirably to the many issues that they have faced.

A new CEO took the reins of the business in July 2021.

Objectives and activities

a. Policies and objectives

The organisation's policy is to improve the lives of people with learning disabilities in Cumbria by providing life long, quality and person-centred support.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Strategies for the charity include:

1. The continual improvement of our existing services and the further extension of those services to new clients and new areas.
2. Working in collaboration with other organisations and consortia to increase our services and reach across a wider part of the county.
3. Developing fundraising and income generation from non-statutory sources; a fundraiser is now in place to this end.
4. Implementation of a new staffing structure across the organisation to reduce expenditure.

c. Activities undertaken to achieve objectives

Notable achievements - although a lot of the year has been spent working on the staffing restructure, there have been a good number of notable achievements such as:

- California House - the service has continued to operate throughout the pandemic, though with fewer clients due to infection control. Those using the home were those deemed critically in need of care.
- The children's respite service remained open throughout the year supporting both regular and emergency clients
- There have been no inspection reports for any services due to the COVID-19 outbreak.
- A number of services including children's clubs, Sunday Active, the Independence Studio and holidays which had been closed in the previous year have re-opened during the year.
- Staff have continued to be enterprising in setting up numerous online activities to replace the face to face ones that could not take place.

Trustees' activities have been curtailed by COVID-19. However, the Trustees have continued to oversee the activities via online meetings.

Achievements and performance

a. Review of activities

During 2020/21 the organisation has continued its core activities and developed some new services, these include:

California House

Residential respite care for adults with learning disabilities. The house has five guest bedrooms, two are fully accessible for those with profound physical disabilities. The house is open 365 days a year. This service is funded on a block purchase system.

Community Support Adults

We provide services for adults in the community. Services provided can be very varied - from helping someone to go shopping, supporting people to do leisure activities, to spending entire days with clients supporting all of their daily activities.

Supported Living

We supply 24 hour support in the community for nine clients in their own homes.

Children's Services including:

Grace Little Centre

The centre continued to provide overnight support for children during the first three quarters of the year but this service closed in July due to staffing constraints; the centre continued to be used for a variety of other services including Independence Studio , Children's Outreach activities and training.

Residential Respite

Hart Street, Ulverston and Huntley Avenue, Penrith, two very well established respite homes, were welcomed to Carlisle Mencap in 2017. The homes run full time with around 100 children accessing them.

Children's Community Support

We support young people in the community whilst their parents take a break. We either take care of the children at home or take them out in to the community to do an activity. This has been reduced due to the pandemic.

Activators Club and Holiday Play Schemes

We are commissioned by NHS to provide short term non-residential care for disabled children. These services were particularly curtailed during the pandemic. However, we continued with activities using video platforms.

Cumbria Autism Family Support Project

Four part-time Autism Advisors support families with children on the autistic spectrum. The workers advise, educate and signpost and run collaborative workshops. This service covers the whole of Cumbria. This has continued to operate throughout the pandemic.

Sports Development Service

A service designed to encourage members to keep fit. This operated online during the pandemic. We received funds from Active Cumbria and Sports England. This enabled the development worker to make 15 accessible videos.

Holidays

We provide two four-day holidays a year for up to 40 adults in total. The holidaymakers are supported by volunteers. There is a part-time paid manager. This service has been provided for over 30 years.

Doves Café

This was closed during the pandemic.

The Independence Studio

This is a social enterprise based on film making and art which operates from the Grace Little Centre, three days a week. This continued to operate during the pandemic.

Family Advisor Service

We have a family advisor service to provide information and advice to service users and their families.

b. Fundraising activities and income generation

The charity does not use any outside fundraisers. Main fundraising activities, apart from the shop, are grant applications undertaken by the CEO. We also have a fundraising and events officer on the payroll whose responsibility is to organise fundraising events and work with the local business community.

c. Investment policy and performance

The organisation adopts a cautious approach to investment and funds are held in savings accounts which are deemed to be low risk.

Financial Review

a. Going concern

Due to the undertaking of a £1.588m Cumbria Local Government Pension Scheme liability in 2017, the charity has been running an overall deficit since inheriting this liability that was transferred, along with TUPE staff, as part of the two Cumbria County Council contracts that were taken on in 2017. The overall deficit decreased to £1,102,115 in 2021, from £1,218,478 in 2020.

The Trustees have reviewed going concern in light of this and, as the liability will transfer back out of the charity with the TUPE staff when the contract with Cumbria County council ends in January 2022, the charity would be back to an overall surplus. Cumbria County Council are also providing additional grant funding to contribute towards the additional GPS costs associated with the new contracts.

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The policy of the charity is to maintain enough reserves to continue operations for three months. Three months running costs are £450,000, which includes essential staffing to maintain services, housekeeping, rentals, insurances and registration costs. Reserves are monitored by the Trustees bi-monthly.

The Trustees are happy with the current reserves position after excluding the pension liability, which as below is £1,037,989.

c. Principal funding

The financial constraints indicated from national and local government and COVID-19 make it difficult to plan services ahead. However, we have been pleased to generate a sound income for the year. Trustees chose to use funds from services to fund additional charitable activities. Cumbria County Council contracts are still the major funding source and because of uncertainty and expected constraints on local authority funding we continue to look at diversification of our income from other sources, including direct fundraising and a variety of grants. We have employed a fundraiser to support income generation.

d. Results for the year

The results for the year show an excess of expenditure over income of £158,533. Overall funds carried forward amount to a deficit of £1,067,011 being restricted funds surplus of £93,307 and deficit on unrestricted funds of £1,160,318.

The deficit on unrestricted funds is as a result of the inclusion of the Government Pension Scheme liability of £1.588m at the point of undertaking two new Cumbria County Council contracts in 2017 where staff were transferred via the TUPE regulations to the charity, with the charity taking the responsibilities and benefits of these staff.

At the year end date the actuarial valuation reported the liability to the charity, who are now a participating employer in the scheme, a deficit of £2.105m. Without this liability, the total funds would have amounted to £1,037,989. When the contract ceased on 31 January 2022, all staff transferred along with any liabilities at that date. Free reserves, once the pension deficit of £2.105m has been transferred back to Cumbria County Council are £77,860.

Structure, governance and management

a. Constitution

Carlisle Mencap Limited is registered as a charitable company limited by guarantee and was set up by Memorandum of Association. The company is constituted under a Memorandum of Association and is a registered charity number 1115348. The company was incorporated on and commenced trading on that date.

The objectives of the society are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers, and to prevent learning disabilities for the public benefit and to advance religion amongst persons with learning disability;
- to provide and assist in the provision of facilities for the recreation or other leisure time occupation for people who have the need thereof by reason of learning disability with the object of improving their conditions of life.

There have been no changes in the objectives since the last annual report.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Trustees meet bi-monthly to discuss policy and strategy. There is an additional finance sub committee which meets as and when required to discuss some matters in further depth. The CEO is line managed by the Trustees. The CEO has the day to day running of the organisation - she is supported by two operations managers, a business manager and a further 7 service managers who manage the staff teams.

d. Policies adopted for the induction and training of Trustees

The Chief Officier organises the provision of are induction and training for trustees. All take part in child protection training.

There is an annual away day where they get together to explore and understand their role.

e. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

f. Future developments

The contracts with Cumbria County Council for Children's respite ends in January 2022 and this will significantly reduce the size of the organisation and in particular the children's service activities. This improves the overall financial position of the organisation, both by removing the pensions liability from the balance sheet and because the contracts were loss-making, but also necessitates a review of the structure of the organisation, the services we are delivering and aim to deliver, to ensure the two are aligned.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 14 June 2022 and signed on its behalf by:

C Bowditch
Trustee

Carlisle Mencap Limited

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Carlisle Mencap Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year which 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 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 then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Independent Auditors' Report to the Trustees of

Carlisle Mencap Limited

Opinion

We have audited the financial statements of Carlisle Mencap Limited for the year ended 30 September 2021 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes, 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 at 30 September 2021 and it's 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.

Material uncertainty related to going concern

We draw attention to note 1, Going Concern in the financial statements, which summarises the charity's unrestricted reserves position because of continued deficits and a possible claw back of Short Breaks contract income. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of these matters.

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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and 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.

Other information

The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

•the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

..... *continued*

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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:

- certain disclosures of trustees' remuneration specified by law are not made; or
- 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
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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 controls as they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

..... *continued*

Our 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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and charitable company's performance
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving relevant internal specialists, including pensions regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition and management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Charities Act, pensions legislation, tax legislation and OFSTED regulations.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Independent Auditors' Report to the Trustees of

Carlisle Mencap Limited

..... *continued*

Use of our report

This report is made solely to the charity's trustees 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 charity's trustees 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 othe than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dodd & Co Ltd

Dodd & Co Limited
Chartered Accountants & Registered Auditors

14 June 2022

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Dodd & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Carlisle Mencap Limited

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 30 September 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments from:					
Donations and legacies	3	9,990	217,701	227,691	136,347
Other trading activities	4	-	-	-	6,024
Investments	5	-	-	-	211
Charitable activities	6	2,584,049	-	2,584,049	2,766,992
Other income	7	69,228	-	69,228	86,620
Total income and endowments		2,663,267	217,701	2,880,968	2,996,194
Expenditure on:					
Raising funds		-	-	-	6,373
Charitable activities		2,891,200	148,301	3,039,501	3,051,144
Total expenditure		2,891,200	148,301	3,039,501	3,057,517
Net expenditure before transfers		(227,933)	69,400	(158,533)	(61,323)
Transfers					
Transfers between funds		6,269	(6,269)	-	-
Net expenditure before other recognised gains and losses		(221,664)	63,131	(158,533)	(61,323)
Other recognised gains/losses					
Actuarial gains on defined benefit pension schemes		310,000	-	310,000	431,000
Net movements in funds		88,336	63,131	151,467	369,677
Reconciliation of funds					
Total funds brought forward		(1,248,654)	30,176	(1,218,478)	(1,588,155)
Total funds carried forward		(1,160,318)	93,307	(1,067,011)	(1,218,478)

The notes on pages 15 to 34 form an integral part of these financial statements.

Carlisle Mencap Limited

Company registration number: 05595628

Balance Sheet as at 30 September 2021

	Note	2021 £	2021 £	2020 as restated £	2020 as restated £
Fixed assets					
Tangible assets	14		866,822		894,685
Current assets					
Debtors	15	160,088		258,576	
Cash at bank and in hand		310,296		247,363	
		470,384		505,939	
Creditors: Amounts falling due within one year	16	(284,217)		(307,102)	
Net current assets			186,167		198,837
Total assets less current liabilities			1,052,989		1,093,522
Creditors: Amounts falling due after more than one year	17		(15,000)		(27,000)
Net assets excluding pension liabilities			1,037,989		1,066,522
Pension liabilities	21		(2,105,000)		(2,285,000)
Net liabilities including pension liabilities			(1,067,011)		(1,218,478)
The funds of the charity:					
Restricted funds			93,307		30,176
Unrestricted funds					
Unrestricted income funds			(1,160,318)		(1,248,654)
Total charity funds			(1,067,011)		(1,218,478)

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

Approved by the Board on 14 June 2022 and signed on its behalf by:

C Bowditch
Trustee

G Ternent
Trustee

The notes on pages 15 to 34 form an integral part of these financial statements.

Carlisle Mencap Limited

Cash Flow Statement for the Year Ended 30 September 2021

	2021 £	2020 £
Net cash provided by (used by) operating activities		
Net expenditure for the period	(158,533)	(61,323)
Depreciation charges	32,570	37,523
Losses on investments	310,000	431,000
Loss on the sale of fixed assets	8,002	11,488
Decrease in debtors	98,488	27,908
Decrease in creditors	(22,885)	(6,516)
Decrease in provisions	(180,000)	(273,000)
	87,642	167,080
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(12,709)	(10,230)
	(12,709)	(10,230)
Repayment of borrowings	(12,000)	(10,000)
Increase in cash	62,933	146,850

The notes on pages 15 to 34 form an integral part of these financial statements.

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (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.

Basis of preparation

The charitable company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

At the balance sheet date, the net liabilities of the charity were £1,067,011 (2020 - £1,218,478 in deficit). This is due to the charity inheriting a LGPS liability in 2017 of £1,588,000 when undertaking two new Cumbria County Council contracts where staff were transferred via TUPE regulations to the charity. The charity took on the responsibilities and benefits of these staff members.

At the year end date, the actuarial valuation reported the liability to the charity, who during the year were a participating employer in the scheme, a deficit of £2,105,000 (2020 - £2,285,000). Without this liability, the total unrestricted funds would have totalled £944,682 in surplus (2020 - £1,036,346 in surplus). Free reserves are £77,860 (2020 - £141,661) excluding the LGPS liability. The contract with Cumbria County Council ceased in January 2022, at which point all staff were transferred via TUPE back to the Council along with all responsibilities and benefits. Under the transfer, the LGPS liability also transferred back to Cumbria County Council.

During the year, the charity made a deficit of £221,664 (2020 - £88,441 deficit) before actuarial gains/losses on unrestricted activities. The COVID-19 pandemic continued to impact businesses and individuals within the UK however, the trustees consider the results to not be greatly impacted by the pandemic as most of their services were either continued or paused with temporary local Council support received in its place. Where possible, the charity has taken advantage of the Government's COVID support.

The trustees have considered both the operational and financial position of the charity for a period beyond 12 months from the date of signing these financial statements. Efforts are being made to reduce costs where possible, but they believe that, after the cessation of the Short Breaks contracts, deficits should reduce over the coming period with the aim of returning to break even in the near future. In considering the future of the charity, the trustees have considered the ongoing discussions with Cumbria County Council regarding the possible claw back of Short Breaks income totalling £178,000. They are working with the Council and expect a conclusion to be reached to ensure the charity has sufficient resources to move forwards. See contingent liabilities note 19 for more details.

The trustees believe there to be sufficient resources to continue for the coming 12-month period on the basis a resolution is found with Cumbria County Council and are committed to ensuring the charity returns to a surplus to replenish free reserves and enable it to provide a safe environment for all their service users and families. On this basis, they consider the going concern basis appropriate.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

..... *continued*

Further details of each fund are disclosed in note 23.

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administor/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Short Breaks income

Income relating to the Short Breaks contract with Cumbria County Council is recognised as unrestricted contract income under charitable activities, with income recognised when entitlement passes to the charity. This is because Short Breaks is a statutory service which Carlisle Mencap provides on the Council's behalf. Whilst the agreement with the Council was worded as a grant, until the final year of the agreement when the agreement was worded as a contract, the substance of the arrangement is that of a contract. In the prior year, the short breaks income was treated as a restricted grant and this has been restated to agree to the current year's treatment.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold property	2% straight line basis
Long leasehold property	2% straight line basis
Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

The charity operates a defined benefit pension scheme and the pension charge is based on a full actuarial valuation dated January 2022.

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Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Prior period restatement

Adjustments were made to the comparative figures resulting in the reduction of restricted reserves by £50,000 and the increase of unrestricted reserves brought forward of the same value. The adjustment was required as a result of the Trustees identifying a fund for the Big Lottery Healing Together grant being unrestricted in nature, rather than being a restricted fund.

An adjustment was made to the comparative period in relation to the allocation of Short Breaks contracts income and expenditure. As contract for services, the income and corresponding expenditure should have been included as unrestricted in the prior period and this has been restated to reflect this. There is no impact to the overall SOFA figures, but prior opening unrestricted reserves increased by £9,717 and closing unrestricted reserves by £9,723. Restricted reserves were reduced by the same amount.

One other adjustment has been made to the comparative figures by reclassifying £48,133 of credit balances on the debtors ledger to trade creditors. This has only impacted the presentation of the balance sheet and not had an impact on reserves.

2 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical areas of judgement:

Contingent liability - the trustees have judged the likelihood of a clawback of Cumbria County Council contract income to not be probable at the date of signing the financial statements. As such, the trustees have not recognised a provision within the financial statements. If a claw back was to occur, the trustees estimate the maximum liability would be £178,000. These judgements have been made based on the correspondence to date with the Council. More details can be found in note 19 to the financial statements.

Defined benefit pension liability - the present value of the defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Results from the actuarial valuation has been used by the actuary in valuing the pension liability at the balance sheet date.

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3 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations and legacies				
Donations	9,990	-	9,990	16,170
Grants				
Grants	-	217,701	217,701	120,177
	9,990	217,701	227,691	136,347

Of the donations and legacies income in 2020, £57,007 related to unrestricted funds and £69,340 related to restricted funds after a restatement of opening balances.

4 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Shop income	-	-	-	6,024

Of the other trading activites income in 2020, £6,024 related to unrestricted funds.

5 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Interest on cash deposits	-	-	-	211

Of the investments income in 2020, £211 related to unrestricted funds.

6 Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income from charitable activities	2,584,049	-	2,584,049	2,766,992

Of the income from charitable activities in 2020, all related to unrestricted funds.

..... *continued*

7 Other Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Job Retention Scheme Income	69,228	-	69,228	86,620

Of the other income in 2020, £86,620 related to unrestricted funds.

..... continued

8 Expenditure

	Charitable activities	Total 2021	Total 2020
	£	£	£
Direct costs			
Other fundraising costs	-	-	1,210
Purchases	-	-	819
(Profit)/loss on disposal of tangible fixed assets	719	719	-
Employment costs	2,297,946	2,297,946	2,260,659
Insurance	21,099	21,099	14,259
Premises expenses	26,800	26,800	11,201
Maintenance and cleaning	42,520	42,520	25,685
Telephone	19,136	19,136	11,720
IT costs	491	491	48
Printing, postage and stationery	3,088	3,088	3,422
Training	13,249	13,249	6,807
Other expenses	21,093	21,093	11,239
Administration expenses	-	-	16,073
Project costs	55,949	55,949	96,264
Motor and travel	22,189	22,189	24,834
Legal and professional fees	11,872	11,872	14,466
Pension costs	39,000	39,000	46,000
Depreciation	28,117	28,117	28,531
	2,603,268	2,603,268	2,573,237
Support costs			
Wages and salaries	279,630	279,630	312,445
Staff training	6,284	6,284	10,297
Insurance	7,404	7,404	7,452
Premises expenses	29,150	29,150	35,486
Maintenance and cleaning	2,086	2,086	8,160
Telephone	6,354	6,354	12,809
Administration expenses	-	-	2,160
IT costs	17,155	17,155	17,522
Printing, postage and stationery	10,128	10,128	8,505
Other expenses	2,621	2,621	16,905
Motor and travel	7,758	7,758	9,282
Accountancy fees	4,560	4,560	1,850
The audit of the charity's annual accounts	9,450	9,450	9,150
Legal and professional fees	38,017	38,017	7,776
Bad debts written off	-	-	751
Interest payable	3,900	3,900	3,250
Depreciation	4,453	4,453	8,992
(Profit)/loss on sale of tangible fixed assets held for charity's own use	7,283	7,283	11,488
	436,233	436,233	484,280
	3,039,501	3,039,501	3,057,517

Of the expenditure in 2020, £1,621,807 related to unrestricted funds and £1,435,710 related to restricted funds.

..... *continued*

9 Government grants

Income from government grants comprises performance related grants made by local authorities totalling £1,256,196. See notes 2 and 21 for more details.

The charity was also in receipt of COVID-19 support income as detailed in note 6.

10 Governance costs

	2021	2020
	£	£
Accountancy fees	4,560	1,850
Auditors remuneration	9,450	9,150
Legal and professional fees	28,193	7,776
	42,203	18,776

11 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during this year.

12 Net expenditure

Net expenditure is stated after charging:

	2021		2020	
	£	£	£	£
Auditors' remuneration - audit services		9,450		9,150
Loss on disposal of tangible fixed assets		8,002		11,488
Depreciation of tangible fixed assets		32,570		37,523

..... *continued*

13 Employees' remuneration

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

	2021 No.	2020 No.
Management and administration	11	11
Shop	-	2
Activities in furtherance of charitable objectives	122	132
	133	145

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	2,200,300	2,169,602
Social security	157,766	152,026
Other pension costs	219,510	251,476
	2,577,576	2,573,104

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Trustees and the senior managers. The total employee benefits of the key management personnel of the Charity were £189,132 (2020 - £166,025). The 2021 figure has increased due to additional management being included in the calculation. There has been no significant growth in individual management salaries during the year.

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14 Tangible fixed assets

	Freehold property £	Long leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
As at 1 October 2020	377,311	644,185	56,695	108,278	1,186,469
Additions	-	-	-	12,709	12,709
Disposals	-	-	-	(29,242)	(29,242)
As at 30 September 2021	377,311	644,185	56,695	91,745	1,169,936
Depreciation					
As at 1 October 2020	61,880	107,423	50,892	71,589	291,784
Eliminated on disposals	-	-	-	(21,240)	(21,240)
Charge for the year	7,546	12,884	1,451	10,689	32,570
As at 30 September 2021	69,426	120,307	52,343	61,038	303,114
Net book value					
As at 30 September 2021	307,885	523,878	4,352	30,707	866,822
As at 30 September 2020	315,431	536,762	5,803	36,689	894,685

15 Debtors

	2021 £	2020 *as restated* £
Trade debtors	50,086	102,978
Other debtors	-	2,745
Prepayments and accrued income	110,002	152,853
	160,088	258,576

..... *continued*

16 Creditors: Amounts falling due within one year

	2021	2020 *as restated*
	£	£
Trade creditors	60,603	65,653
Taxation and social security	36,040	21,143
Other creditors	22,467	27,291
Accruals and deferred income	165,107	193,015
	284,217	307,102

Creditors amounts falling due within one year includes deferred income:

	2021	2020
	£	£
As at 1 October 2020	114,505	117,638
Amount released to incoming resources	(114,505)	(117,638)
Amount deferred in the year	35,029	114,105
As at 30 September 2021	35,029	114,105

Within other creditors in creditors due within one year, there are other loans of £12,000 (2020 - £12,000). This is an unsecured loan from KeyFund with an interest rate of 6.5% over a five year period.

17 Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	15,000	27,000

Within other creditors in creditors due after one year, there are other loans of £15,000 (2020 - £27,000). This is an unsecured loan from KeyFund with an interest rate of 6.5% over a five year period.

18 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

19 Contingent liabilities

Beginning in the prior financial period, Cumbria County Council entered discussions with the charity to claw back approximately £178,000 of income paid under two Short Breaks contracts between the parties. The claw back originates from annual spend reports submitted by the charity as part of the contract for periods impacted by the pandemic, which resulted in reduced spending and a surplus generated on the contract. Carlisle Mencap has challenged both the level and the validity of the clawback. Discussions are still ongoing with a final decision yet to be communicated to the charity. In correspondence received by the charity, the Council stated that they "would not want to cause any unnecessary burden to Carlisle Mencap" and agreed to continue discussions around this matter, based on the significant financial impact it would have.

On this basis, it is not deemed to be a probable obligation and therefore no provision has been included in the financial statements.

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20 Operating lease commitments

As at 30 September 2021 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Operating lease	
	2021	2020
	£	£
Within one year	25,685	22,495
Within two and five years	60,267	72,437
	85,952	94,932

21 Pension scheme

Defined contribution pension scheme

The charity contributes towards the employees' personal pension schemes (defined contribution pension schemes). The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £106,919 (2020 - £140,088).

Contributions totalling £5,381 (2020 - £10,978) were payable to the scheme at the end of the period and are included in creditors.

Defined benefit pension scheme

As from 1 February 2017, the charity also contributed into the Cumbria Local Government Pension Scheme, in a multi-employer defined benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The employers contributions are affected by a surplus or deficit in the scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £103,000 (2020 - £115,000).

The Local Government Pension Scheme (LGPS) is a statutory scheme established by an Act of Parliament and governed by the Public Services Pensions Act 2013. The scheme is administered in accordance with applicable secondary legislation. Individual funds are managed by designated authorities at a local level.

Principal actuarial assumptions

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021	2020
Discount rate for scheme assets	2.00%	1.70%
Rate of increase in salaries	4.40%	3.80%
Rate increase for pensions in payment/inflation	3.00%	2.40%
Inflation assumptions (CPI)	2.90%	2.30%

	2021	2020
Mortality rates (in years)	Years	Years
Current UK pensioners retirement age - male	22.7	22.6
Current UK pensioners age - female	25.3	25.2
Future UK pensioners age - male	24.3	24.2
Future UK pensioners age - female	27.2	27.1

..... continued

Sensitivity analysis

Deficit impact of:	2021 £	2020 £
Discount rate +0.1%	(1,960,000)	(2,152,000)
CPI rate +0.1%	(2,252,000)	(2,421,000)
Pay growth +0.1%	(2,134,000)	(2,314,000)
Mortality rate - 1 year increase	(2,328,000)	(2,484,000)
Change in investment returns +1%	(2,050,000)	(2,240,000)
Change in investment returns -1%	(2,160,000)	(2,330,000)

Analysis of assets

The major categories of scheme assets are as follows:

	2021 £	2020 £
Equity instruments	1,139,000	939,000
Government bonds	515,000	425,000
Property	234,000	193,000
Cash	47,000	39,000
Other	1,024,000	845,000

The actual return on scheme assets was £743,000 (2020 - £29,000 loss)

Amounts recognised in the Statement of Financial Activities

The total amount recognised in the Statement of Financial Activities is:

	2021 £	2020 £
Current service costs	190,000	208,000
Past service costs	-	15,000
Interest income	(78,000)	(82,000)
Interest costs	117,000	128,000
Administrative expenses	4,000	4,000
	233,000	273,000

Movement in deficit

The movement in the deficit during the period was:

	2021 £	2020 £
Deficit at the beginning of the year	(2,285,000)	(2,558,000)
Current service costs	(190,000)	(208,000)
Contributions paid	103,000	115,000
Interest costs	(117,000)	(128,000)
Interest income	78,000	82,000
Past service costs	-	(15,000)
Administrative expenses	(4,000)	(4,000)
Actuarial gains	310,000	431,000
Deficit at the end of the year	(2,105,000)	(2,285,000)

..... *continued*

Scheme liabilities

Changes in the present value of the scheme liabilities are as follows:

	2021 £	2020 £
As at start of year	6,874,000	7,228,000
Current service costs	190,000	208,000
Interest costs	117,000	128,000
Contributions by scheme participants	29,000	32,000
Actuarial losses/(gains)	355,000	(415,000)
Benefits paid	(60,000)	(322,000)
Past service costs	-	15,000
As at end of year	7,505,000	6,874,000
Present value of unfunded scheme liabilities	7,505,000	6,874,000

Scheme assets

Changes in the fair value of the scheme assets are as follows:

	2021 £	2020 £
As at start of year	4,589,000	4,670,000
Expected return on scheme assets	78,000	82,000
Actuarial gains	665,000	16,000
Administrative expenses	(4,000)	(4,000)
Contributions by the employer	103,000	115,000
Contributions by scheme participants	29,000	32,000
Benefits paid	(60,000)	(322,000)
As at end of year	5,400,000	4,589,000

..... *continued*

22 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year, 3 trustees (2020 - 3) were service users of the charity. There are no other related party transactions during the year.

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23 Analysis of funds

	At 1 October 2020	Incoming resources	Resources expended	Transfers	Other recognised gains/(losses)	At 30 September 2021
	£	£	£	£	£	£
General Funds						
General Funds	1,036,346	2,663,267	(2,761,200)	6,269	-	944,682
Pension Reserve	(2,285,000)	-	(130,000)	-	310,000	(2,105,000)
	(1,248,654)	2,663,267	(2,891,200)	6,269	310,000	(1,160,318)
Restricted Funds						
Gannet Foundation (Sensory Equipment)	4,360	-	(4,360)	-	-	-
Sobell Foundation	4,309	-	(838)	-	-	3,471
Heritage Lottery Fund	-	-	-	-	-	-
Royal Mencap (Virtual Marathon)	500	-	(500)	-	-	-
AAS Big Lottery	9,410	46,035	(26,254)	-	-	29,191
Big Lottery - Adult Activities Sunday	-	-	-	-	-	-
North Cumbria Children's Short Breaks and Autism	-	-	-	-	-	-
South Cumbria Children's Short Breaks and Autism	-	-	-	-	-	-
English Lakes	797	-	-	-	-	797
Children in Need	-	23,971	(2,518)	-	-	21,453
Cumbria Youth Alliance - Emotional Resilience	-	3,000	(3,000)	-	-	-
Police CC - Think Safe, Keep Safe	-	3,000	(3,000)	-	-	-
Other Restricted Funds	10,800	10,985	(12,175)	-	-	9,610
Royal Mencap Society - let's get digital	-	2,700	(2,000)	(700)	-	-
PCC - Covid-19 Recovery Community Fund	-	4,700	(4,700)	-	-	-
Infection control grants	-	63,080	(63,080)	-	-	-
CCC - Hoist	-	5,000	(436)	(4,564)	-	-
Sport England - around the world challenge	-	3,948	(3,948)	-	-	-

..... *continued*

Cumbria Foundation - Covid-19 Response	-	20,000	-	-	-	20,000
Royal Mencap - healthier me project	-	3,500	(3,500)	-	-	-
Heritage Lottery Fund - hearing our voice	-	10,000	(5,610)	(1,005)	-	3,385
CCC - HAF school meals	-	6,982	(3,642)	-	-	3,340
Workforce training grant	-	6,800	(4,740)	-	-	2,060
Active Cumbria	-	4,000	(4,000)	-	-	-
	30,176	217,701	(148,301)	(6,269)	-	93,307
	(1,218,478)	2,880,968	(3,039,501)	-	310,000	(1,067,011)

..... *continued*

Restricted funds:

Gannet Foundation (Sensory Equipment) - Grant awarded for the purchase of Sensory Equipment.

Sobell Foundation - A contribution to Doves café costs including the purchase of the coffee machine.

Heritage Lottery Fund – Heritage Lottery Fund provided funding for an independence studio to promote the history and heritage of learning difficulties in North Cumbria.

Royal Mencap (Virtual Marathon) – Funding for sports coaches, facilitators and other sports professionals.

AAS Big Lottery – To help reduce loneliness, increase activity and opportunities to make friends for people with learning disabilities by setting up a hub, providing leisure and sporting activities in the community.

North Cumbria Children's Short Breaks and Autism – Cumbria County Council Children's Short Breaks & Autism included grant funding for residential respite, children activities in the community and support for families of children with autism.

South Cumbria Children's Short Breaks and Autism – Cumbria County Council Children's Short Breaks & Autism included grant funding for residential respite, children activities in the community and support for families of children with autism.

English Lakes – Grant funding to provide play (a swing) and sensory equipment at Huntley Avenue Children's Home.

Children in Need – Grant income provided for children's holidays.

Cumbria Youth Alliance – Emotional Resilience – Funding towards a programme for the siblings of children with Autism.

Police CC – Think Safe, Keep Safe – Funding for Independence studio film about online abuse.

Other Restricted Funds – Made up at the year end of several trivial funds. These largely relate to Covid-19 support grants, to support care services during the pandemic.

Royal Mencap Society – let's get digital – Grant received to purchase digital equipment and provide training sessions on digital software/equipment.

PCC – Covid-19 Recovery Community Fund – a project based on reducing the risk of victimisation by provide vulnerable members of the community with information on how to keep safe.

Infection control grants – The main purpose of this fund is to support adult social care providers to reduce the rate of COVID-19 transmission in and between care homes.

CCC – Hoist – Grant received to fund the costs relating to the purchase of the hoist in California House.

Sport England – around the world challenge – A fund designed to support and encourage members to keep fit.

Cumbria Foundation – Covid-19 Response – This fund relates to grants received to support care services during the pandemic, for example sick cover needed in relation to Covid-19, as well as the extra cleaning costs needed.

Royal Mencap – healthier me project – A project that encourages healthy eating by creating recipes.

Heritage Lottery Fund – hearing our voice – A project that focuses on Mencap's clients making a video of how the pandemic has affected their lives.

CCC – HAF school meals – Grant used to provide children meals during the holiday periods.

Workforce training grant – A grant designed to develop the knowledge and skills of Mencap's workforce.

Active Cumbria – Fund to contact members and encourage to keep fit & stay active at home.

..... continued

Prior period

	At 1 October 2019	Incoming resources	Resources expended	Other recognised gains/(losses)	At 30 September 2020 *As restated*
	£	£	£		£
General Funds		-			
General Funds	887,175	2,836,102	(2,686,931)	-	1,036,346
Pension Reserve	(2,558,000)	-	(158,000)	431,000	(2,285,000)
	(1,670,825)	2,836,102	(2,844,931)	431,000	(1,248,654)
Restricted Funds					
Gannet Foundation (Sensory Equipment)	-	4,360	-	-	4,360
Sobell Foundation	8,070	9,000	(12,761)	-	4,309
Heritage Lottery Fund	2,001	-	(2,001)	-	-
Royal Mencap (Virtual Marathon)	-	500	-	-	500
AAS Big Lottery	-	22,804	(13,394)	-	9,410
Francis C Scott - Stay Safe Online	4,000	-	(4,000)	-	-
Sports Development	7,543	-	(7,543)	-	-
Cumbria Foundation - Safer Together	-	6,556	(6,556)	-	-
Big Lottery - Adult Activities Sunday	15,732	15,806	(31,538)	-	-
California House Equipment	419	-	(419)	-	-
North Cumbria Children's Short Breaks and Autism	-	-	-	-	-
South Cumbria Children's Short Breaks and Autism	-	-	-	-	-
Lottery - Healing Together	-	23,500	(23,500)	-	-
English Lakes	797	-	-	-	797
Children in Need	23,501	-	(23,501)	-	-
Cumbria Youth Alliance - Emotional Resillience	6,000	6,000	(12,000)	-	-
Police CC - Think Safe, Keep Safe	6,534	-	(6,534)	-	-
NHS Cumbria - Saturday Club and Playscheme	2,793	-	(2,793)	-	-
Cumbria Youth Alliance - SoKA	3,030	3,000	(6,030)	-	-
Other Restricted Funds	2,250	68,566	(60,016)	-	10,800
	82,670	160,092	(212,586)	-	30,176
	(1,588,155)	2,996,194	(3,057,517)	431,000	(1,218,478)

..... *continued*

24 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	866,822	-	866,822	894,685
Current assets	350,077	120,307	470,384	505,939
Creditors: Amounts falling due within one year	(272,217)	(12,000)	(284,217)	(307,102)
Creditors: Amounts falling due after more than one year	-	(15,000)	(15,000)	(27,000)
Pension liabilities	(2,105,000)	-	(2,105,000)	(2,285,000)
Net assets	(1,160,318)	93,307	(1,067,011)	(1,218,478)

Prior period as restated

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Tangible assets	894,685	-	894,685	933,466
Current assets	436,763	69,176	505,939	338,864
Creditors: Amounts falling due within one year	295,102	(12,000)	(307,102)	(265,485)
Creditors: Amounts falling due after more than one year	-	(27,000)	(27,000)	(37,000)
Pension liabilities	(2,285,000)	-	(2,285,000)	(2,558,000)
Net assets	(1,248,654)	30,176	(1,218,478)	(1,588,155)

CARLISLE MENCAP LIMITED

England & Wales - Charity number 1115348

Accounts

Registered number: 05595628
Charity number: 1115348

CARLISLE MENCAP LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

ArmstrongWatson®

Accountants, Business & Financial Advisers

CARLISLE MENCAP LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1
Trustees' report	2 - 7
Independent auditors' report on the financial statements	8 - 10
Statement of financial activities	11
Balance sheet	12 - 13
Statement of cash flows	14
Notes to the financial statements	15 - 40

CARLISLE MENCAP LIMITED

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 30 SEPTEMBER 2020

Trustees	Mrs C Bowditch, Chair Mrs G Ternent, Treasurer Mr T Baty Miss E Harkness, Vice Chair Mrs J Harland Miss L Power Mrs C Bowman Mrs C Thompson Mr S Bowditch Mrs A Fletcher Mr N Steel Mr N Braiden Mrs I Roberts-Green Miss S McBean
Company registered number	05595628
Charity registered number	1115348
Registered office	Unit J3 Duchess Avenue Kingmoor Park North Carlisle Cumbria CA6 4SN
Company secretary	Mrs S Gregory
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants Fairview House Victoria Place Carlisle Cumbria CA1 1HP
Bankers	HSBC Plc PO Box 5 29 English Street Carlisle Cumbria CA3 8JW CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

The Trustees present their annual report together with the audited financial statements of Carlisle Mencap Limited for the period 1 October 2019 to 30 September 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Introduction
2020/21 has been a very challenging year for the charity, like for all others involved in social care due to COVID-19. Some services were curtailed due to the pandemic infection control measures and others, like supported living, have been increased. The majority of the staff team have continued to work throughout responding admirably to the many issues that they have faced.

Objectives and activities

a. Policies and objectives

The organisation's policy is to improve the lives of people with learning disabilities in Cumbria by providing life long, quality and person centred support.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Strategies for the charity include:

1. The continual improvement of our existing services and the further extension of those services to new clients and new areas.

2. Working in collaboration with other organisations and consortia to increase our services and reach across a wider part of the county.

3. Developing fundraising and income generation from non-statutory sources; a fundraiser is now in place to this end.

4. Implementation of a new staffing structure across the organisation to reduce expenditure.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Notable achievements - although a lot of the year has been spent working on the staffing restructure, there have been a good number of notable achievements such as:

- California House - the service has continued to operate throughout the pandemic, though with fewer clients due to infection control. Those using the home were those deemed critically in need of care.
- The children's respite service was closed for a period but later reopened to respond to the demand for critical clients.
- There have been no inspection reports for any services due to the COVID-19 outbreak.
- A number of services including children's clubs, Sunday Active, the Independence Studio and holidays have been closed due to COVID-19. Staff however have been very enterprising in setting up numerous online activities to replace them.

Trustees' activities have been curtailed by COVID-19. However, the Trustees have continued to oversee the activities via online meetings.

Achievements and performance

a. Review of activities

During 2020/21 the organisation has continued its core activities and developed some new services, these include:

California House
Residential respite care for adults with learning disabilities. The house has five guest bedrooms, two are fully accessible for those with profound physical disabilities. The house is open 365 days a year. This service is now funded on a spot purchase system.

Community Support Adults
We provide services for adults in the community. Services provided can be very varied - from helping someone to go shopping, supporting people to do leisure activities, to spending entire days with clients supporting all of their daily activities.

Supported Living
We supply 24 hour support in the community for nine clients in their own homes.

Children's Services including:

Grace Little Centre
The centre has continued to provide overnight support for children during part of the pandemic.

Residential Respite
Hart Street, Ulverston and Huntley Avenue, Penrith, two very well established respite homes, were welcomed to Carlisle Mencap in 2017. The homes run full time with around 100 children accessing them.

Children's Community Support
We support young people in the community whilst their parents take a break. We either take care of the children at home or take them out in to the community to do an activity. This has been reduced due to the pandemic.

Activators Club and Holiday Play Schemes
We are commissioned by NHS to provide short term non-residential care for disabled children. These services were particularly curtailed during the pandemic. However, we continued with activities using video platforms.

Achievements and performance (continued)

Cumbria Autism Family Support Project
Four part-time support workers work supporting families with children on the autistic spectrum. The workers advise, educate and signpost. This service covers the whole of Cumbria. This has continued to operate throughout the pandemic.

Sports Development Service
A service designed to encourage members to keep fit. This operated online during the pandemic. We received funds from Active Cumbria and Sports England. This enabled the development worker to make 15 accessible videos.

Holidays
We provide two four-day holidays a year for up to 40 adults in total. The holidaymakers are supported by volunteers. There is a part-time paid manager. This service has been provided for over 30 years.

Doves Café
This was closed during the pandemic.

The Independence Studio
This is a social enterprise based on film making and art which operates from the Grace Little Centre, three days a week. This continued to operate during the pandemic.

Family Advisor Service
We have a family advisor service to provide information and advice to service users and their families.

b. Fundraising activities and income generation

The charity does not use any outside fundraisers. Main fundraising activities, apart from the shop, are grant applications undertaken by the CEO. We also have a fundraising and events officer on the payroll whose responsibility is to organise fundraising events and work with the local business community.

c. Investment policy and performance

The organisation adopts a cautious approach to investment and funds are held in savings accounts which are deemed to be low risk.

Financial Review

a. Going concern

Due to the undertaking of a £1.588m LGPS liability in 2017, the charity has been running an overall deficit since inheriting this liability that was transferred, along with TUPE staff, as part of the two new Cumbria County Council contracts that were taken on in 2017. The overall deficit decreased to £1,218,478 from £1,588,155 in 2019.

The Trustees have reviewed going concern in light of this and as the liability will transfer back out of the charity with the TUPE staff should they cease the contract with the Cumbria County council, the charity would be back to an overall surplus. Cumbria County Council are also providing additional grant funding to contribute towards the additional LGPS costs associated with the new contracts.

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The policy of the charity is to maintain enough reserves to continue operations for three months. Three months running costs are £450,000, which includes essential staffing to maintain services, housekeeping, rentals, insurances and registration costs. Reserves are monitored by the Trustees bi-monthly.

The Trustees are happy with the current reserves position after excluding the pension liability.

c. Principal funding

The financial constraints indicated from national and local government and COVID-19 make it difficult to plan services ahead. However, we have been pleased to generate a sound income for the year. Trustees chose to use funds from services to fund additional charitable activities. Cumbria County Council contracts are still the major funding source and because of uncertainty and expected constraints on local authority funding we continue to look at diversification of our income from other sources, including direct fundraising and a variety of grants. We have employed a fundraiser to support income generation.

d. Results for the year

The results for the year show an excess of expenditure over income of £369,677. Overall funds carried forward amount to a deficit of £1,218,478 being restricted funds surplus of £119,505 and deficit on unrestricted funds of £1,337,983.

The deficit on unrestricted funds is as a result of the inclusion of a LGPS liability of £1.588m at the point of undertaking two new Cumbria County Council contracts in 2017 where staff were transferred via the TUPE regulations to the charity, with the charity taking the responsibilities and benefits of these staff.

At the year end date the actuarial valuation reported the liability to the charity, who are now a participating employer in the scheme, a deficit of £2.285m. Without this liability, the total funds would have amounted to £1,066,522. Should the contract cease in the future then all staff would transfer along with any liabilities at that date.

Structure, governance and management

a. Constitution

Carlisle Mencap Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. The company is constituted under a Memorandum of Association and is a registered charity number 1115348. The company was incorporated on and commenced trading on that date.

The objectives of the society are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers, and to prevent learning disabilities for the public benefit and to advance religion amongst persons with learning disability;
- to provide and assist in the provision of facilities for the recreation or other leisure time occupation for people who have the need thereof by reason of learning disability with the object of improving their conditions of life.

There have been no changes in the objectives since the last annual report.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

c. Organisational structure and decision-making policies

The Trustees meet bi-monthly to discuss policy and strategy. There is an additional finance and sub committee which meets as and when required to discuss some matters in further depth. The CEO is line managed by the Trustees. The CEO has the day to day running of the organisation – she is supported by two operations managers, a business manager and a further 8 service managers who manage the staff teams.

d. Policies adopted for the induction and training of Trustees

Trustees are inducted and given training in their role by the Chief Officer. All take part in child protection training. There is an annual away day where they get together to explore and understand their role.

e. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

f. Future developments

The present CEO will retire in June 2021. A new CEO was in place working alongside her from 9th May 2021.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2020

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

C Bowditch

Mrs C Bowditch
(Chair of Trustees)

Date: 24 June 2021

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CARLISLE MENCAP LIMITED

Opinion

We have audited the financial statements of Carlisle Mencap Limited (the 'charitable company') for the year ended 30 September 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 30 September 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 Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that as a result of inheriting a £1.588m LGPS liability as part of two Council contracts in 2017, the effect of this liability continues to cast significant doubt on the charitable company's ability to continue as a going concern. As stated in note 2.2, these events or conditions, along with the other matters as set forth in the note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CARLISLE MENCAP LIMITED (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

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 Auditors' report.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CARLISLE MENCAP LIMITED (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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's and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Armstrong Watson Audit Limited

Armstrong Watson Audit Limited
Chartered Accountants
Statutory Auditors
Carlisle

Date: 30 June 2021

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CARLISLE MENCAP LIMITED

(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:					
Donations and legacies	4	**17,007**	**119,340**	**136,347**	*247,744*
Charitable activities	5	**1,423,504**	**1,343,488**	**2,766,992**	*2,666,949*
Other trading activities	6	**6,024**	**-**	**6,024**	*19,271*
Investments	7	**211**	**-**	**211**	*1,175*
Other income	8	**86,620**	**-**	**86,620**	*-*
Total income		**1,533,366**	**1,462,828**	**2,996,194**	*2,935,139*
Expenditure on:					
Raising funds	9	**6,373**	**-**	**6,373**	*19,432*
Charitable activities	10	**1,615,434**	**1,435,710**	**3,051,144**	*3,425,885*
Total expenditure		**1,621,807**	**1,435,710**	**3,057,517**	*3,445,317*
Net movement in funds before other recognised gains/(losses)		**(88,441)**	**27,118**	**(61,323)**	*(510,178)*
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	25	**431,000**	**-**	**431,000**	*(954,000)*
Net movement in funds		**342,559**	**27,118**	**369,677**	*(1,464,178)*
Reconciliation of funds:					
Total funds brought forward		**(1,680,542)**	**92,387**	**(1,588,155)**	*(123,977)*
Net movement in funds		**342,559**	**27,118**	**369,677**	*(1,464,178)*
Total funds carried forward		**(1,337,983)**	**119,505**	**(1,218,478)**	*(1,588,155)*

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

The notes on pages 15 to 40 form part of these financial statements.

CARLISLE MENCAP LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: 05595628

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note		2020 £		*2019 £*
Fixed assets					
Tangible assets	15		**894,685**		*933,466*
			894,685		*933,466*
Current assets					
Debtors	16	**210,443**		*238,351*	
Cash at bank and in hand		**247,363**		*100,513*	
		457,806		*338,864*	
Creditors: amounts falling due within one year	17	**(258,969)**		*(265,485)*	
Net current assets			**198,837**		*73,379*
Total assets less current liabilities			**1,093,522**		*1,006,845*
Creditors: amounts falling due after more than one year	18		**(27,000)**		*(37,000)*
Net assets excluding pension liability			**1,066,522**		*969,845*
Defined benefit pension scheme liability	25		**(2,285,000)**		*(2,558,000)*
Total net assets			**(1,218,478)**		*(1,588,155)*

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2020

	Note		2020 £		2019 £
Charity funds					
Restricted funds	19		**119,505**		*92,387*
Unrestricted funds					
Unrestricted funds excluding pension asset	19	**947,017**		*877,458*	
Pension reserve	19	**(2,285,000)**		*(2,558,000)*	
Total unrestricted funds	19		**(1,337,983)**		*(1,680,542)*
Total funds			**(1,218,478)**		*(1,588,155)*

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

C Bowditch

Mrs C Bowditch
Chairperson
Date: 24th June 2021

Mrs G Ternent
Trustee

The notes on pages 15 to 40 form part of these financial statements.

CARLISLE MENCAP LIMITED

(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	2020 £	*2019* *£*
Cash flows from operating activities		
Net cash used in operating activities	**275,119**	*66,000*
Cash flows from investing activities		
Dividends, interests and rents from investments	**211**	*1,175*
Purchase of tangible fixed assets	**(10,230)**	*(18,748)*
Total benefits paid in defined benefit pension scheme	**(115,000)**	*(140,000)*
Interest paid	**(3,250)**	*(3,575)*
Net cash used in investing activities	**(128,269)**	**(161,148)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**146,850**	**(95,148)**
Cash and cash equivalents at the beginning of the year	**100,513**	*195,661*
Cash and cash equivalents at the end of the year	**247,363**	*100,513*

The notes on pages 15 to 40 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. General information

The charitable company is a company limited by guarantee. The members of the company are the Trustees as named on Page 1. Company number is 05595628 and the charity number 1115348. Its registered office is Unit J3, Duchess Avenue, Kingmoor Park North, Carlisle, Cumbria, CA6 4SN.

In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Carlisle Mencap Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been prepared in Pounds Sterling.

2.2 Going concern

At the balance sheet date the net liabilities of the charity were £1,218,478 (2019 - £1,588,155 in deficit). This is due to the charity acquiring a LGPS liability in 2017 of £1.588m at the point of undertaking two new Cumbria County Council contracts where staff were transferred via the TUPE regulations to the charity, with the charity taking the responsibilities and benefits of these staff members.

At the year end date the actuarial valuation reported the liability to the charity, who are now a participating employer in the scheme, a deficit of £2,285,000 (2019 - £2,558,000). Without this liability, the total funds would have amounted to £1,066,522 surplus (2019 - £969,844 surplus). Should the contract cease in the future then all staff would transfer along with any liabilities at that date.

Since the year end date, the COVID-19 pandemic has continued to affect the economic conditions of businesses and individuals within the UK. The Trustees have considered both the operational and financial implications, for a period of 12 months from the date of signing these financial statements, on the future cashflows of the charity. In their opinion, there will be no material impact to the revenues generated by the charity due to the majority of the charity's income being received from local or central government Where possible the charity has taken advantage of the COVID Government schemes and payment holidays. In addition the charity is committed to the services which they provide to their service users albeit there may be changes in their delivery methods for a period of time. The Trustees are committed to supporting and providing a safe environment for all of their service users and their families during these challenging times.

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the proportion of incoming resources receieved in the period.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance.

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Leasehold property	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures, fittings and equipment	- 25% reducing balance

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The 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.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 18 December 2020.

2. Accounting policies (continued)

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:
The entitiy takes part in multiple projects that are funded partly by restricted grant income. As a result, the trustees have estimated that the most appropriate basis of support cost allocation is based upon the percentage of total incoming resources.

Establishing useful economic lives:
Establishing useful economic lives for depreciation purposes of property, plant and equipment comprise a significant portion of the total fixed assets. The annual depreciation charge depends primarily on theestimated useful economic lives of each type of asset and estimaes of residual values. The trustees regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policy note 2.6.

Defined benefit pension liability
The present value of the defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Results from the actuarial valuation performed at 30 September 2020 has been used by the actuary in valuing the pensions liability at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations	16,170	-	**16,170**
Grants	837	119,340	**120,177**
	17,007	119,340	**136,347**

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Donations	*18,989*	-	*18,989*
Grants	*1,158*	*227,598*	*228,756*
	20,147	*227,598*	*247,745*

5. Income from charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Income from charitable activities	1,423,504	1,343,488	**2,766,992**

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Income from charitable activities	*1,431,070*	*1,235,878*	*2,666,948*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Shop income	6,024	**6,024**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Shop income	*19,271*	*19,271*

7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Interest received on investments	211	**211**

	Unrestricted funds 2019 £	*Total funds 2019 £*
Interest received on investments	*1,175*	*1,175*

8. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Job Retention Scheme Income	86,620	**86,620**	-

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £
Other fundraising costs	1,210	**1,210**
Wages and salaries	2,518	**2,518**
Depreciation	72	**72**
Total 2020	3,800	**3,800**

9. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	Unrestricted funds 2019 £	*Total funds 2019 £*
Other fundraising costs	*10,130*	*10,130*
Wages and salaries	*5,780*	*5,780*
Depreciation	*225*	*225*
	16,135	*16,135*

Fundraising trading expenses

	Unrestricted funds 2020 £	**Total funds 2020 £**
Trading expenditure	2,573	**2,573**

9. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

	Unrestricted funds 2019 £	*Total funds 2019 £*
Trading Expenditure	*3,297*	*3,297*

Included within trading expenditure is:

	2020 (£)	**2019 (£)**
Wages and salaries	1,705	1,967
Depreciation	49	77
Other costs	819	1,253
Total	**2,573**	**3,297**

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	**Restricted funds 2020 £**	**Total funds 2020 £**
Charitable activities	1,615,434	1,435,710	**3,051,144**

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Charitable activities	*1,885,322*	*1,540,563*	*3,425,885*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

11. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Charitable activities	2,566,865	484,280	**3,051,145**

	Activities undertaken directly 2019 £	*Support costs 2019 £*	*Total funds 2019 £*
Charitable activities	*2,925,838*	*500,048*	*3,425,886*

Analysis of direct costs

	Total funds 2020 £	*Total funds 2019 £*
Pension finance costs	**46,000**	*35,000*
Staff costs	**2,256,436**	*2,618,852*
Depreciation	**28,410**	*25,670*
Administration expenses	**16,073**	*25,914*
Maintenance and cleaning	**25,685**	*30,987*
Insurance	**14,259**	*11,081*
Premises expenses	**11,201**	*18,011*
Motor and travel	**24,834**	*34,813*
Legal & professional fees	**14,466**	*13,183*
Telephone	**11,720**	*16,388*
Printing, stationery, postage & advertising	**3,422**	*2,117*
Training	**6,807**	*4,130*
IT Costs	**48**	*179*
Project costs	**96,264**	*72,203*
Other expenses	**11,240**	*15,961*
Loss/(profit) on disposal of fixed assets	**-**	*1,349*
Total 2020	**2,566,865**	*2,925,838*

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	*Total funds 2019 £*
Staff costs	**312,445**	*295,704*
Depreciation	**8,992**	*11,495*
Administration expenses	**2,160**	*7,541*
Maintenance and cleaning	**8,160**	*18,304*
Insurance	**7,452**	*6,187*
Premises expenses	**35,486**	*55,074*
Motor and travel	**9,282**	*17,190*
Legal & professional fees	**7,776**	*17,747*
Telephone	**12,809**	*9,535*
Printing, stationery, postage & advertising	**8,505**	*10,430*
Training	**10,297**	*15,115*
IT Costs	**17,522**	*16,576*
Other expenses	**16,905**	*5,213*
Auditors remuneration	**11,000**	*10,167*
Interest payable	**3,250**	*3,484*
Bad debt write off	**751**	-
Loss/(profit) on disposal of fixed assets	**11,488**	*286*
Total 2020	**484,280**	*500,048*

12. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £9,150 *(2019 - £8,250)*, and fees in relation to the preparation of statutory accounts of £1,850 (*2019 - £1,750*).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

13. Staff costs

	2020 £	2019 £
Wages and salaries	**2,169,601**	*2,284,195*
Social security costs	**152,026**	*158,275*
Contributions to pension schemes	**251,476**	*479,831*
	2,573,103	*2,922,301*

The average number of persons employed by the company during the year was as follows:

	2020 No.	2019 No.
Management and administration	**11**	*11*
Shop	**2**	*2*
Activities in furtherance of charitable objectives	**132**	*130*
	145	*143*

No employee received remuneration amounting to more than £60,000 in either year.

During the year, there were 4 members of staff deemed as key management personnel (2019 - 3) whose remuneration totalled £166,025 (2019 - £137,137).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2019 - £NIL)*.

During the year ended 30 September 2020, no Trustee expenses have been incurred *(2019 - £NIL)*.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

15. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 October 2019	**377,311**	**644,185**	**56,695**	**219,660**	**1,297,851**
Additions	**-**	**-**	**-**	**10,230**	**10,230**
Disposals	**-**	**-**	**-**	**(121,612)**	**(121,612)**
At 30 September 2020	**377,311**	**644,185**	**56,695**	**108,278**	**1,186,469**
Depreciation					
At 1 October 2019	**54,334**	**94,540**	**48,958**	**166,553**	**364,385**
Charge for the year	**7,546**	**12,883**	**1,934**	**15,160**	**37,523**
On disposals	**-**	**-**	**-**	**(110,124)**	**(110,124)**
At 30 September 2020	**61,880**	**107,423**	**50,892**	**71,589**	**291,784**
Net book value					
At 30 September 2020	**315,431**	**536,762**	**5,803**	**36,689**	**894,685**
At 30 September 2019	*322,977*	*549,645*	*7,737*	*53,107*	*933,466*

16. Debtors

	2020 £	*2019 £*
Due within one year		
Trade debtors	**54,845**	*141,601*
Wages control account	**2,745**	*1,505*
Prepayments and accrued income	**152,853**	*95,245*
	210,443	*238,351*

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	**12,000**	*12,000*
Trade creditors	**17,520**	*29,762*
Other taxation and social security	**32,121**	*40,789*
Other creditors	**4,313**	*51,404*
Accruals and deferred income	**193,015**	*131,530*
	258,969	*265,485*

	2020 £	2019 £
Deferred income at 1 October 2019	**117,638**	*118,803*
Resources deferred during the year	**114,105**	*117,638*
Amounts released from previous periods	**(117,638)**	*(118,803)*
	114,105	*117,638*

Other loans included in creditors due less than one year of £12,000 (2019 - £12,000) is an unsecured loan from Key fund with an interest rate of 6.5% over a five year period.

During the year the charity benefitted from a 3 month payment holiday, granted due to the pandemic.

The charity also had a secured overdraft facility held in the form of a debenture including Fixed Charge over all present freehold and leasehold property; First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and First Floating Charge over all assets and undertaking both present and future dated 31 May 2019.

18. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	**27,000**	*37,000*

Other loans included in creditors due more than one year of £27,000 (2019 - £37,000) is an unsecured loan from Keyfund with an interest rate of 6.5%.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

19. Statement of funds

Statement of funds - current year

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2020 £
Unrestricted funds					
General Funds - all funds	877,458	1,533,366	(1,463,807)	-	947,017
Pension reserve	(2,558,000)	-	(158,000)	431,000	(2,285,000)
	(1,680,542)	1,533,366	(1,621,807)	431,000	(1,337,983)
Restricted funds					
Gannet Foundation (Sensory Equipment)	-	4,360	-	-	4,360
Sobell Foundation	8,070	9,000	(12,761)	-	4,309
Heritage Lottery Fund	2,001	-	(1,590)	-	411
Royal Mencap (Virtual Marathon)	-	500	-	-	500
AAS Big Lottery	-	22,804	(13,394)	-	9,410
Francis C Scott - Stay Safe Online	4,000	-	(4,000)	-	-
Sports Development	7,543	-	(7,543)	-	-
Cumbria Foundation - Safer Together	-	6,556	(6,556)	-	-
Big Lottery - Adult Active Sundays	15,732	15,806	(13,618)	-	17,920
California House equipment	419	-	(419)	-	-
North Cumbria Children's Short breaks and Autism	4,859	626,368	(626,365)	-	4,862
South Cumbria Children's Short breaks and Autism	4,858	626,368	(626,365)	-	4,861
Lottery - Healing together	-	73,500	(23,500)	-	50,000
English Lakes	797	-	-	-	797
Children in Need	23,501	-	(12,226)	-	11,275
Cumbria Youth Alliance - Emotional Resillience	6,000	6,000	(12,000)	-	-
Police CC - Think Safe, Keep Safe	6,534	-	(6,534)	-	-
NHS Cumbria - Saturday club and playscheme	2,793	-	(2,793)	-	-
Cumbria Youth Alliance - SoKa	3,030	3,000	(6,030)	-	-
Other Restricted Funds (See below note 1)	2,250	68,566	(60,016)	-	10,800

19. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2020 £
	92,387	**1,462,828**	**(1,435,710)**	**-**	**119,505**
Total of funds	**(1,588,155)**	**2,996,194**	**(3,057,517)**	**431,000**	**(1,218,478)**

Statement of funds - prior year

	Balance at 1 October 2018 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 30 September 2019 £*
Unrestricted funds						
General Funds - all funds	*937,267*	*1,471,663*	*(1,547,754)*	*16,282*	*-*	*877,458*
Pension reserve	*(1,247,000)*	*-*	*(357,000)*	*-*	*(954,000)*	*(2,558,000)*
	(309,733)	1,471,663	(1,904,754)	*16,282*	*(954,000)*	*(1,680,542)*

19. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 October 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 30 September 2019* £
Restricted funds						
Gannet Foundation (Sensory Equipment)	*6,971*	-	*(6,971)*	-	-	-
Sobell Foundation	-	*9,000*	*(930)*	-	-	*8,070*
Heritage Lottery Fund	*12,000*	-	*(9,999)*	-	-	*2,001*
Royal Mencap (Virtual Marathon)	*6,046*	*1,703*	*(7,749)*	-	-	-
AAS Big Lottery	*5,000*	-	*(5,000)*	-	-	-
Francis C Scott - Stay Safe Online	-	*8,000*	*(4,000)*	-	-	*4,000*
Sports Development	*6,000*	*13,600*	*(12,057)*	-	-	*7,543*
Cumbria Foundation - Safer Together	*20,667*	-	*(20,667)*	-	-	-
Big Lottery - Adult Active Sundays	*15,732*	*62,971*	*(62,971)*	-	-	*15,732*
California House equipment	-	*7,989*	-	*(7,570)*	-	*419*
North Cumbria Children's Short breaks and Autism	*2,108*	*617,939*	*(615,188)*	-	-	*4,859*
South Cumbria Children's Short breaks and Autism	*2,107*	*617,939*	*(615,188)*	-	-	*4,858*
Lottery - Healing together	*95,733*	-	*(95,733)*	-	-	-
English Lakes	*10,000*	-	*(491)*	*(8,712)*	-	*797*
Children in Need	-	*23,501*	-	-	-	*23,501*
Cumbria Youth Alliance - Emotional Resillience	-	*6,000*	-	-	-	*6,000*
Police CC - Think Safe, Keep Safe	-	*7,000*	*(466)*	-	-	*6,534*
NHS Cumbria - Saturday club and playscheme	-	*78,679*	*(75,886)*	-	-	*2,793*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

19. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 October 2018 £	*Income* £	*Expenditure* £	*Transfers in/out* £	*Gains/ (Losses)* £	*Balance at 30 September 2019* £
Cumbria Youth Alliance - SoKa	-	*6,000*	*(2,970)*	-	-	*3,030*
Other Restricted Funds (See below note 1)	*3,392*	*3,155*	*(4,297)*	-	-	*2,250*
	185,756	1,463,476	(1,540,563)	*(16,282)*	-	*92,387*
Total of funds	*(123,977)*	*2,935,139*	*(3,445,317)*	-	*(954,000)*	*(1,588,155)*

19. Statement of funds (continued)

(1) Other Restricted Funds breakdown:

	Balance at 1 Oct 2019	Income	Expenditure	Balance at 30 Sept 20
Capital - Grace Little	1,000	-	-	1,000
Royal Mencap	500	-	(500)	-
Skill for Care	-	1,500	(1,500)	-
Active Cumbria	750	-	(750)	-
Co-Op Grant	-	837	(837)	-
CYA - Every mind	-	6,000	(1,200)	4,800
Active Cumbria	-	6,000	(6,000)	-
CYA - Mural on GLC	-	250	(250)	-
Covid Adult Services	-	37,116	(37,116)	-
Infection Control	-	6,683	(6,683)	-
Skills for Care	-	1,500	(1,500)	-
Covid Shop Grant	-	10,000	(5,000)	5,000
Total	**2,250**	**68,566**	**(60,016)**	**10,800**

Gannet Foundation
Grant awarded for the purchase of Sensory Equipment.

Sobell Foundation
A contribution to Doves café costs including purchase of coffee machine.

Heritage Lottery Fund
Heritage Lottery Fund provided funding for an independence studio to promote the history and heritage of learning disabilities in North Cumbria.

Royal Mencap (Virtual Marathon)
Funding for sports coaches, facilitators and other sports professionals.

AAS Big Lottery
To help reduce loneliness, increase activity and opportunities to make friends for people with learning disabilities by setting up a hub, providing leisure and sporting activities in the community.

Francis C Scott
Provided funding for Independence studio film about online abuse.

Sports Development
Includes grant funding provided for sports development workers salary.

Cumbria Foundation - Safer Together
Funding for the Suicide and Self Harm Prevention project.

Big Lottery
The Big Lottery Fund has provided funding towards activities for Adult Active Sundays.

California House redevelopment
Funds to refurbish and extend California House so as to provide extended therapeutic care.

North Cumbria Children's Short breaks and Autism
Cumbria County Council Children's Short Breaks & Autism included grant funding for residential respite, children activities in the community and support for families of children with autism.

19. Statement of funds (continued)

South Cumbria Children's Short breaks and Autism
Cumbria County Council Children's Short Breaks & Autism included grant funding for residential respite, children activities in the community and support for families of children with autism.

Lottery - Healing Together
Grant funding to improve health through art and working with nature.

English Lakes Hotels
Grant funding to provide play (a swing) and sensory equipment at Huntley Avenue Children's Home.

Children in Need
Grant income provided for children's holidays.

Cumbria Youth Alliance
Funding for an emotional support programme for young people aged 14 to 25 in West Cumbria.

Police CC
Funding for Independence studio film about on line abuse.

NHS Cumbria
Saturday Club and Playscheme - grants are provided to fund children's play schemes.

Cumbria Youth Alliance SoKa
Funding towards a programme for the siblings of children with Autism.

Capita
Grace Little funding towards specialist equipment at Grace Little centre.

Royal Mencap
Funding to support sex and sexuality training.

Skill for Care
Funding towards staff RQF(Regulated Quality Framework) awards.

Active Cumbria Crossfit
Grant funding for equipment and funding toward sports development for young people.

Co-Op Grant
General funding of 1% of Coop members nominating Carlisle Mencap as the chosen charity.

Cumbria Youth Alliance - Every mind
To provide interactive workshops/webinars etc aimed at giving young people (14-25) skills to build resilience.

Active Cumbria/Sport England - 'Tackling Inequalities Emergency Fund'
To use Zoom sessions and Facebook page to contact members and encourage to keep fit and stay active at home.

Cumbria Youth Alliance – 'Dreamscheme'
Funding for people under 25 to paint a large mural on outside of the Grace Little centre.

Cumbria County Council Covid Grant
Block payments to provide Adult Outreach services.

Cumbria County Council Covid Grant (2)
To help fund additional PPE and social distancing requirements.

19. Statement of funds (continued)

Skills for Care
Funding to help towards the cost of staff completing specific adult social care qualifications.

Carlisle City Council Covid Funding
£10K Rate relief

20. Summary of funds

Summary of funds - current year

	Balance at 1 October 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2020 £
General funds	**(1,680,542)**	**1,533,366**	**(1,621,807)**	**431,000**	**(1,337,983)**
Restricted funds	**92,387**	**1,462,828**	**(1,435,710)**	**-**	**119,505**
	(1,588,155)	**2,996,194**	**(3,057,517)**	**431,000**	**(1,218,478)**

Summary of funds - prior year

	Balance at 1 October 2018 £	*Income £*	*Expenditure £*	*Transfers in/out £*	*Gains/ (Losses) £*	*Balance at 30 September 2019 £*
General funds	*(309,733)*	*1,471,663*	*(1,904,754)*	*16,282*	*(954,000)*	*(1,680,542)*
Restricted funds	*185,756*	*1,463,476*	*(1,540,563)*	*(16,282)*	-	*92,387*
	(123,977)	*2,935,139*	*(3,445,317)*	-	*(954,000)*	*(1,588,155)*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	775,180	119,505	**894,685**
Current assets	321,139	136,667	**457,806**
Creditors due within one year	(149,302)	(109,667)	**(258,969)**
Creditors due in more than one year	-	(27,000)	**(27,000)**
Provisions for liabilities and charges	(2,285,000)	-	**(2,285,000)**
Total	(1,337,983)	119,505	**(1,218,478)**

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	*Restricted funds 2019 £*	*Total funds 2019 £*
Tangible fixed assets	719,408	214,058	*933,466*
Current assets	289,266	49,598	*338,864*
Creditors due within one year	(131,216)	(134,269)	*(265,485)*
Creditors due in more than one year	-	(37,000)	*(37,000)*
Provisions for liabilities and charges	(2,558,000)	-	*(2,558,000)*
Total	(1,680,542)	92,387	*(1,588,155)*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	**(61,323)**	*(510,178)*
Adjustments for:		
Depreciation charges	**37,523**	*37,594*
(Losses)/gains on investments	**(211)**	*(1,175)*
P&L costs for defined benefit pension scheme	**273,000**	*497,000*
Loss on the sale of fixed assets	**11,488**	*1,514*
Decrease in debtors	**27,908**	*58,476*
Increase/(decrease) in creditors	**(16,516)**	*(20,806)*
Interest paid	**3,250**	*3,575*
Net cash provided by operating activities	**275,119**	*66,000*

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	**247,363**	*100,513*
Total cash and cash equivalents	**247,363**	*100,513*

24. Analysis of changes in net debt

	At 1 October 2019 £	Cash flows £	At 30 September 2020 £
Cash at bank and in hand	**100,513**	**146,850**	**247,363**
Debt due within 1 year	**(12,000)**	**-**	**(12,000)**
Debt due after 1 year	**(37,000)**	**10,000**	**(27,000)**
	51,513	**156,850**	**208,363**

25. Pension commitments

The charitable company contributes towards the employees' personal pension schemes. Total contributions payable by the company amounted to £140,088 (2019 - £162,457). Contributions outstanding at the year end totalled £10,978 (2019 - £5,035).

As from 01 February 2017, the charitable company also contributed into the Cumbria Local Government Pension Scheme, in a multi-employer defined benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The employers contributions are affected by a surplus or deficit in the scheme. The pension cost charge represents contributions payable by the company to the fund and amounted to £115,000 (2019 - £140,000).

The company operates a defined benefit pension scheme.

The Local Government Pension Scheme (LGPS) is a statutory scheme established by an Act of Parliament and governed by the Publisc Services Pensions Act 2013 and is administered in accordance with applicable secondary legislation.Individual funds are managed by designated admistering authorities at a local level. Throughout England and Wales there are 87 such authorites.

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	At 30 September 2020 %	*At 30 September 2019 %*
Discount rate	**1.7**	*1.8*
Future salary increases	**3.8**	*3.5*
Future pension increases	**2.4**	*2.1*
Inflation assumption	**2.3**	*2.0*

	At 30 September 2020 Years	*At 30 September 2019 Years*
Mortality rates (in years)		
- for a male aged 65 now	**22.6**	*23.2*
- at 65 for a male aged 45 now	**24.2**	*25.5*
- for a female aged 65 now	**25.2**	*25.8*
- at 65 for a female aged 45 now	**27.1**	*28.5*

25. Pension commitments (continued)

The company's share of the assets in the scheme was:

	At 30 September 2020 £	*At 30 September 2019 £*
Equities	**1,613,000**	*2,195,000*
Debt instruments	**873,000**	*1,186,000*
Property	**368,000**	*252,000*
Cash and other liquid assets	**422,000**	*201,000*
Other	**1,313,000**	*836,000*
Total fair value of assets	**4,589,000**	*4,670,000*

The actual return on scheme assets was £(29,000) *(2019 - £397,000)*.

The amounts recognised in the Statement of financial activities are as follows:

	2020 £	*2019 £*
Current service cost	**208,000**	*213,000*
Past service cost	**15,000**	*245,000*
Interest income	**(82,000)**	*(123,000)*
Net interest cost	**128,000**	*158,000*
Administrative expenses	**4,000**	*4,000*
Total amount recognised in the Statement of financial activities	**273,000**	*497,000*

Movements in the present value of the defined benefit obligation were as follows:

	2020 £	*2019 £*
Opening defined benefit obligation	**7,228,000**	*5,428,000*
Interest cost	**128,000**	*158,000*
Contributions by scheme participants	**32,000**	*43,000*
Actuarial (gains)/losses	**(415,000)**	*1,228,000*
Benefits paid	**(322,000)**	*(87,000)*
Current service cost	**208,000**	*213,000*
Past service costs	**15,000**	*245,000*
Closing defined benefit obligation	**6,874,000**	*7,228,000*

25. Pension commitments (continued)

Movements in the fair value of the company's share of scheme assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	**4,670,000**	*4,181,000*
Expected return on assets	**82,000**	*123,000*
Actuarial gains	**16,000**	*274,000*
Contributions by employer	**115,000**	*140,000*
Contributions by scheme participants	**32,000**	*43,000*
Benefits paid	**(322,000)**	*(87,000)*
Administrative expense	**(4,000)**	*(4,000)*
Closing fair value of scheme assets	**4,589,000**	*4,670,000*

26. Operating lease commitments

At 30 September 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	**22,495**	*22,495*
Later than 1 year and not later than 5 years	**72,437**	*85,635*
Later than 5 years	**-**	*9,297*
	94,932	*117,427*

27. Related party transactions

During the year 3 trustees (2019 - 3) were service users of the charity. There are no other related party transactions during the year.