

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

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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 intentions. 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 personnel 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 has 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.

Carlisle Mencap Limited
Trustees' Report for the Period Ended 31 March 2024

- 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.

Carlisle Mencap Limited
Trustees' Report for the Period Ended 31 March 2024

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 mental 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.

Carlisle Mencap Limited
Trustees' Report for the Period Ended 31 March 2024

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.

Carlisle Mencap Limited
Trustees' Report for the Period Ended 31 March 2024

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:

A handwritten signature in black ink, appearing to read 'C. Bowditch', written over a dotted horizontal line.

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 its 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.

**Independent Auditors' Report to the Members of
Carlisle Mencap Limited**

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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.

Independent Auditors' Report to the Members of Carlisle Mencap Limited

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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.

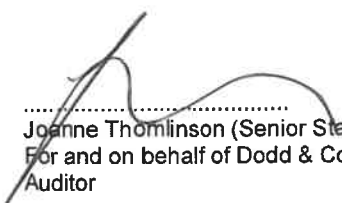
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Independent Auditors' Report to the Members of
Carlisle Mencap Limited**

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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

		Unrestricted Funds	Restricted Funds	Total Funds 1 8 months ended 31 March 2024	Total Funds Year ended 30 September 2022
	Note	£	£	£	£
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		<u>2,887,228</u>	<u>127,539</u>	<u>3,014,767</u>	<u>2,034,176</u>
Expenditure on:					
Charitable activities		2,787,504	129,287	2,916,791	2,138,870
Exceptional costs		-	-	-	(2,105,000)
Total expenditure		<u>2,787,504</u>	<u>129,287</u>	<u>2,916,791</u>	<u>33,870</u>
Net income before transfers		99,724	(1,748)	97,976	2,000,306
Transfers					
Transfers between funds		<u>364</u>	<u>(364)</u>	<u>-</u>	<u>-</u>
Net movements in funds		100,088	(2,112)	97,976	2,000,306
Reconciliation of funds					
Total funds brought forward		<u>927,931</u>	<u>5,364</u>	<u>933,295</u>	<u>(1,067,011)</u>
Total funds carried forward		<u>1,028,019</u>	<u>3,252</u>	<u>1,031,271</u>	<u>933,295</u>

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

		31 March 2024		30 September 2022	
	Note	£	£	£	£
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	
		<u>743,747</u>		<u>271,533</u>	
Creditors: Amounts falling due within one year	13	<u>(515,959)</u>		<u>(181,456)</u>	
Net current assets			<u>227,788</u>		<u>90,077</u>
Total assets less current liabilities			1,031,271		934,620
Creditors: Amounts falling due after more than one year	14		<u>-</u>		<u>(1,325)</u>
Net assets			<u>1,031,271</u>		<u>933,295</u>
The funds of the charity:					
Restricted funds			3,252		5,364
Unrestricted funds					
Unrestricted income funds			<u>1,028,019</u>		<u>927,931</u>
Total charity funds			<u>1,031,271</u>		<u>933,295</u>

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 Tennant
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)
	<u>384,211</u>	<u>(156,574)</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	<u>(3,287)</u>	<u>(9,253)</u>
	(3,287)	(9,253)
Repayment of borrowings	-	(12,000)
Increase/(decrease) in cash	<u><u>380,924</u></u>	<u><u>(177,827)</u></u>

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

Carlisle Mencap Limited

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

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Carlisle Mencap Limited

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

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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 administrator/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.

Carlisle Mencap Limited

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

..... continued

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.

Carlisle Mencap Limited

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

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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 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
	<u>101,411</u>	<u>127,539</u>	<u>228,950</u>	<u>158,821</u>

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

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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
	<u>2,784,834</u>	<u>-</u>	<u>2,784,834</u>	<u>1,859,951</u>

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.

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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
	<u>2,286,432</u>	<u>2,286,432</u>	<u>1,767,775</u>
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
	<u>630,359</u>	<u>630,359</u>	<u>(1,733,905)</u>
	<u>2,916,791</u>	<u>2,916,791</u>	<u>33,870</u>

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

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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
	<u>74,364</u>	<u>26,594</u>

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
	<u>79</u>	<u>101</u>

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
	<u>2,480,745</u>	<u>1,848,834</u>

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).

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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	<u>377,311</u>	<u>644,185</u>	<u>56,695</u>	<u>104,285</u>	<u>1,182,476</u>
Depreciation					
As at 1 October 2022	76,972	133,191	53,431	71,052	334,646
Charge for the period	<u>11,319</u>	<u>19,326</u>	<u>1,122</u>	<u>12,580</u>	<u>44,347</u>
As at 31 March 2024	<u>88,291</u>	<u>152,517</u>	<u>54,553</u>	<u>83,632</u>	<u>378,993</u>
Net book value					
As at 31 March 2024	<u>289,020</u>	<u>491,668</u>	<u>2,142</u>	<u>20,653</u>	<u>803,483</u>
As at 30 September 2022	<u>300,339</u>	<u>510,994</u>	<u>3,264</u>	<u>29,946</u>	<u>844,543</u>

12 Debtors

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

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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
	<u>515,959</u>	<u>181,456</u>

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	<u>252,522</u>	<u>10,971</u>

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	<u>-</u>	<u>1,325</u>

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.

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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.

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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	<u>-</u>	<u>-</u>

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	<u>-</u>	<u>-</u>

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	<u>-</u>	<u>-</u>

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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.

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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Prior period

	At 1 October 2021	Incoming resources	Resources expended	Other recognised gains/(losse s)	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	-	-
	<u>(1,160,318)</u>	<u>1,886,986</u>	<u>201,263</u>	<u>-</u>	<u>927,931</u>
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)	-	-
	<u>93,307</u>	<u>147,190</u>	<u>(235,133)</u>	<u>-</u>	<u>5,364</u>
	<u>(1,067,011)</u>	<u>2,034,176</u>	<u>(33,870)</u>	<u>-</u>	<u>933,295</u>

Carlisle Mencap Limited
Notes to the Financial Statements for the Period Ended 31 March 2024

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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	<u>1,028,019</u>	<u>3,252</u>	<u>1,031,271</u>	<u>933,295</u>

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	<u>927,931</u>	<u>5,364</u>	<u>933,295</u>	<u>(1,067,011)</u>