

# ORWELL MENCAP

England & Wales · Charity number 1117888

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [05984331](#)

**Registered** 2007-02-08

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Orwell Mencap Ltd  
6 Wright Road  
Ipswich  
IP3 9JG

**Phone** 01473723888

**Email** [info@orwellmencap.co.uk](mailto:info@orwellmencap.co.uk)

**Website** [www.orwellmencap.co.uk](http://www.orwellmencap.co.uk)

## Activities

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**Objects:** THE RELIEF OF THOSE PEOPLE IN NEED THROUGH DISABILITIES AND DISADVANTAGES BY IDENTIFYING, PROMOTING THEIR NEEDS, AND PROVIDING SERVICES AND FACILITIES FOR THE PUBLIC BENEFIT.

**Activities:** The provision of staff to support our clients within our day care centre, their home or other locations. Also, the provision of Social Enterprise initiatives including the garden furniture workshop and green bike project.

## Classification

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- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Disability
- **Who:** People With Disabilities

## Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE. IPSWICH, SUFFOLK
- Suffolk

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,134,110	£2,090,248	£822,296	83
2024-03-31	£2,019,483	£2,182,158	£767,248	92
2023-03-31	£1,700,655	£1,789,152	£869,922	97
2022-03-31	£1,525,433	£1,561,436	£958,419	92
2021-03-31	£1,471,277	£1,338,705	£994,422	92

## Trustees

Name	Role	Appointed
Jill Knell	Chair	2014-12-01
Emma Sophie Franks		2021-11-23
JOHN STEVENS		
James Dickson		2021-07-27
Mark David Scrogie		2022-03-29
Simon Girling		2024-03-25
Susan Margaret Sybil Chesworth		2024-05-20
maxine Smith		2024-12-24

**ORWELL MENCAP**

England & Wales - Charity number 1117888

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# Accounts

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**Company registration number 05984331 (England and Wales)**

**Charity registration number 1117888 (England and Wales)**

**ORWELL MENCAP**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

# ORWELL MENCAP

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Name</b>	Orwell Mencap (also operates under working names of Genesis and Green Bike Project)
<b>Legal structure</b>	Orwell Mencap is a company limited by guarantee in the United Kingdom, company number 05984331, incorporated 31 October 2006 and registered as a charity on 8 February 2007, charity number 1117888.
<b>Trustees</b>	J Knell M Smith (Appointed 24 December 2024) S M S Chesworth (Appointed 20 May 2024) S Girling M D Scrogie E S Franks J Dickson J Stevens
<b>Chief executive</b>	R Hart
<b>Principal address &amp; registered office:</b>	6 Wright Road Ipswich IP3 9JG
<b>Auditor</b>	Ensors Connexions 159 Princes Street Ipswich IP1 1QJ
<b>Bankers</b>	Barclays Bank plc 1 Princes Street Ipswich IP1 1PB
<b>Solicitors</b>	Ashtons Legal The Long Barn, Fornham Business Court Fornham St Martin Bury St Edmunds IP31 1SL

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# ORWELL MENCAP

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# **ORWELL MENCAP**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2025**

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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)".

The Charity also operates under the working names of Genesis and Green Bike Project.

The Charity is affiliated to the Royal Mencap Society (Mencap) and bases its Memorandum and Articles of Association on the Royal Mencap Society's model constitution.

#### **STATUS AND GOVERNING INSTRUMENT**

Orwell Mencap is a company limited by guarantee, incorporated 31 October 2006. The company was registered as a charity on 8 February 2007, charity number 1117888, and is governed by its Memorandum and Articles of Association.

#### **TRUSTEES**

During this year we had eight members on the Board of Trustees including a service user.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is administered by an Executive Committee of Trustees appointed at the Charity's Annual General Meeting or subsequently by co-option until the following AGM. The Trustees have met regularly throughout the year.

At its meetings the Executive Committee follows a standard agenda to set the strategic direction of the Charity. The day to day management of activities and staff is delegated to the Chief Executive, who regularly reports back at the meetings of the Executive Committee and via a monthly report.

#### **Appointment and recruitment of Trustees**

New trustees are identified through appropriate networks and are appointed at the annual general meeting by the members. Trustees with specific management skills or experience in the field of learning disability are also co-opted to fill vacancies on the Executive Committee. Orwell Mencap is committed to equality and diversity in the recruitment of trustees and aims to appoint suitably qualified trustees from as broad a spectrum of the community as is possible. To this end Orwell Mencap undertake periodic analysis of trustees' skills and experiences in order to identify areas that could be strengthened by either recruitment of new trustees or training.

Prospective Trustees are first invited to view our services, talk to our service users and learn something of the culture and ethos of our organisation. They are then invited to submit a CV, apply for membership of Orwell Mencap, and are put forward for appointment. Once appointed or co-opted trustees receive induction, training and further support where appropriate.

Two members of the Trustee board were re-elected, two new members were elected and one member stood down at the AGM along with the election Treasurer. The Chair & Vice-Chair positions have one more year to run.

#### **Involving service users**

It is hoped that through training, mentoring and appropriate support that people with learning disabilities will play a meaningful and increasing role in the running of the Charity. During the year we continued to seek opinion and representation from the clients and their carers, ensuring implementation of changes as a result of findings. The continued involvement of a service user as trustee highlights our continued efforts to strive for representation from our clients and, to this end, the service user Trustee has been fully involved in customer related issues and discussions.

# ORWELL MENCAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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Two trustees serving on the Executive Committee 2024 to 2025 were parents/carers of people with disabilities who, during that period, used Genesis services. One trustee was a customer.

#### **Safeguarding vulnerable adults**

All of the Charity's trustees and staff go through a full DBS police check.

#### **AIMS AND OBJECTIVES**

During the year ended 31 March 2025 the objects of the Charity were:

The relief of those people in need through disabilities and disadvantages by identifying, promoting their needs, and providing services and facilities for the public benefit.

#### **PUBLIC BENEFIT**

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees are confident that Orwell Mencap's objects, as detailed above, are in accordance with the regulations on public benefit.

#### **REVIEW OF ACTIVITIES**

Orwell Mencap provides a wide range of care, support and training for people with learning and physical disabilities and the Charity's objectives are currently met through:

- Working with other organisations, partnerships with schools & colleges for young people with Learning Disabilities
- Provision of day services for recreation
- Evening social clubs
- Domiciliary care and staffing supported living accommodation
- Social enterprises
- Working towards becoming a 'Total Communication' & Positive Behaviour organisation

Our website ([www.orwellmencap.co.uk](http://www.orwellmencap.co.uk)) continues to be regularly updated to ensure it remains relevant and useful. We continue to increase our online profile reporting several times a week on all platforms. Having a member of staff responsible for social/digital media and marketing has resulted in a significant increase in awareness of and engagement with Orwell Mencap in the community, including increased inquiries from potential clients and staff.

#### **Working with other organisations**

Orwell Mencap believes very much in working in partnership with like-minded organisations as well as the National Mencap society and its affiliated groups. Much headway has been made with SLT and trustees liaising with other local providers and special schools & colleges. Several visits from staff & students from special schools & colleges took place over the years.

Regular contact is maintained by our Chief Executive and chair of trustees with key staff from Suffolk County Council Adult Social Care regarding the provision of adult care services and funding.

We continue to liaise with other day service providers and homes to promote good continuity of support for our services users and to allow service users to access multiple services

Genesis continues to reach out into the wider community, in particular to special schools wherever possible (and practical) on a range of initiatives and partnership working opportunities.

During this year we were one of the Mayor of Ipswich's chosen charities and the Chief Executive & Trustees attended many events to raise awareness. We received a donation at the end of the year from monies raised.

# ORWELL MENCAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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### Genesis day service provision

The day centre has continued to expand. Customer numbers have increased but continue to be a priority as does staff retention/engagement. Genesis has been investing in the facilities to ensure it is the premium location in the area and meets the growing needs of our users. The garden continues to develop & improve providing an excellent resource for customers to learn new skills. The engagement of the services of a part-time Bid Writer has proved very successful.

The making of a promotional video for the website and use on other platforms also helped to market our services.

This year we also increased our transport to include more runs to support new customers.

### Domiciliary service provision

Genesis provides a limited domiciliary service to people through tailored individual support for people with learning disabilities and their carers and families in the community.

This can be anything from just a few hours a week to provide support to access social activities at home or at other locations, during the day, evening or at weekends.

### Supported Living

Genesis also provides around the clock support to three customers to live as independently as possible in a home of their own

### Evening Social Clubs

The evening Social club has been open during this year and membership continues to grow.

### Holiday clubs and after school clubs

Holiday Clubs were not operational during this period. Re-opening will be considered in the future when staffing levels and management capacity allow.

### Social enterprises

#### (i) Genesis garden furniture

From its fully-equipped workshop Genesis produces hardwood garden furniture of the highest quality, providing work experience, life skills, and undoubted benefits to self-esteem and mental health to those with disabilities. The furniture has a high reputation and Genesis is a preferred supplier for many local authorities including Ipswich Borough Council's parks. As a by-product of its furniture manufacture Genesis recycles its own sawdust into compressed briquettes, bird boxes, bughouses and chopping boards for resale. Genesis did not have a presence at the Suffolk Show this year.

#### (ii) Green Bike Project

The Green Bike Project takes unwanted bicycles and trains people with disabilities to repair, refurbish and recycle the machines for resale and community use. The newly built Bike workshop has enabled Genesis to increase capacity and sales continue to grow. Sales have continued to grow steadily over this period but we continue to seek more customers to join this enterprise; it has capacity.

### VOLUNTEERS AND STAFF

The Charity welcomes volunteers to help support our activities at Genesis. We appreciate the involvement of both our regular volunteers as well as those that help on specific projects or events, giving freely of their time and energy to enrich the experiences of our service users. We have this year attracted several volunteers many of whom have made significant contributions in time to make improvements to the environment.

# ORWELL MENCAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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The trustees would like to thank all of the charity's staff for their continued dedication to our customers during this period.

The trustees would also like to thank all the many individuals and organisations who kindly contributed donations and grants to us.

#### FINANCIAL RESULTS FOR THE YEAR

The total incoming resources to 31 March 2025 are stated at £2,134,110 compared to £2,015,389 for the year to 31 March 2024. Total resources expended amount to £2,090,248 slightly down from £2,182,158 for 31 March 2024. This means the results have shown a surplus of £55,049 compared to a deficit of £162,675 for the previous year. Customer attendance continued to be our main focus and though it has improved, we are not complacent and will continue to seek more customers. Staff retention has been very good.

We are pleased to report that we have reached a surplus position well in advance of our budgeted deadline. The Trustees wish to show their appreciation to the Chief Executive for successfully steering the charity through challenging times.

#### POLICIES

##### Reserves

The Trustees are committed to maintaining a sufficient level of reserves to ensure that all contractual and statutory liabilities can be satisfied and the business is viable in the long term. At the year end the Charity held funds amounting to £822,296 of which £277,247 were restricted. The amount of free reserves, representing funds readily available for general use after allowing for fixed assets is £346,936.

The Charity's reserves policy is to hold a sufficient level of reserves to ensure that all contractual and statutory liabilities can be satisfied. The Trustees consider that an appropriate level of reserves is equivalent to approximately three months of operating expenditure. Based on the current annual expenditure, this equates to £522,562.

##### Investments

Trustees have tasked SLT with ensuring the funds of Genesis are working as effectively as possible to provide returns on the levels of reserves the Charity possesses. Investments made have delivered sound returns.

#### RISK MANAGEMENT

During the year the trustees delegated the management of risks to the Chief Executive. The principal risks identified during the year and the control procedures used to mitigate against those risks were:

- Contract risk from Suffolk County Council – monitor numbers of SCC customers and changes in SCC funding regime.
- Competition from other providers – increase marketing and maintain competitiveness.
- Deficit – Monitor the three year plan to return to surplus. This will comprise of identifying savings, increasing customer and staff numbers to meet demand, review all business units to ensure all remain competitive and contribute to the benefit of the Charity's activities.

#### STRATEGIC GOALS

1. Continue to focus on care
2. Continue to balance the budget
3. Increase customer numbers
4. Continue to improve facilities
5. Continue to invest in staff
6. Continue to invest in training

# **ORWELL MENCAP**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2025***

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### **THE FUTURE AND GOING CONCERN**

A significant amount of work has gone into promoting and marketing our services during the period 2024 – 2025 and is continuing.

New, strong links have been formed with local special schools and several strategic connections made with key people at Suffolk County Council. Awareness-raising has been a big focus of the Chief Executive and chair of trustees.

The Green Bike Project workshop showed signs of steady progress throughout the year. The general updating and upgrading of all facilities achieved through grants and restricted funding means what we have to offer our existing customers and new customers is much improved.

Our financial position is much healthier at the close of the year and the trustees believe the charity to be a going concern.

### **PAY POLICY FOR SENIOR STAFF**

The directors consider the Executive Committee, who are the charity's trustees, and the senior leadership team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All the trustees give of their time freely and no trustees received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 25 to the accounts.

The pay of senior staff is set by the trustees.

### **TANGIBLE FIXED ASSETS**

Movements in fixed assets during the year are set out in note 14 to the accounts. During the year management performed a purposeful exercise of writing off historical fixed assets to demonstrate a more accurate picture of the charity's worth.

### **FUNDRAISING**

The charity has made several applications for grants between 2024 and 2025 and customers have benefitted greatly from use of those funds as Genesis has improved the facilities and customer offering.

The charity adheres to the Fundraising Regulator's Code of Fundraising Practice and is committed to high standards in all fundraising activities. The charity monitors all fundraising carried out on its behalf and ensures that any third-party agencies comply with the same standards. We received no fundraising complaints during the year.

The charity's principal sources of income during the year were grants and contracts with Suffolk County Council, income from charitable activities, and donations from individuals and organisations. Additional income was received through trading activities and investment income. The trustees continue to monitor funding streams to ensure sustainability and alignment with the charity's objectives.

# ORWELL MENCAP

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

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### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

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J Knell  
Trustee

Date: ..... 18.12.2025 .....

# **ORWELL MENCAP**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 31 MARCH 2025***

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The trustees, who are also the directors of Orwell Mencap 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.

# ORWELL MENCAP

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP

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### Opinion

We have audited the financial statements of Orwell Mencap (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, except for the possible effects on the corresponding figures 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 as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for qualified 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.

These financial statements include comparative information for the year ended 31 March 2024. Our opinion on those financial statements was qualified due to a limitation on scope as we were unable to confirm the completeness of the charitable company's income for a portion of the year. Staff changes and a change of system meant that records were not available to provide a complete audit trail for the first six months of the year. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

### 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, 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.

# ORWELL MENCAP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ORWELL MENCAP

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, except for the matter described in the basis for qualified opinion paragraph, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, 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, besides the matter described in the basis for qualified opinion paragraph, we have not identified material misstatements in the directors' report included within the trustees' report.

Arising solely from the limitation on the scope of our work in relation to income completeness, referred to above:

- We have not obtained all the information and explanations that we consider necessary for the purpose of our audit; and
- We were unable to determine whether adequate accounting records have been kept.

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:

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **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**

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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

# ORWELL MENCAP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ORWELL MENCAP

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

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements are free from material misstatement due to fraud.

In planning and designing our audit procedures we assessed the risks of material misstatement due to fraud. Our assessment concluded that the areas of highest risk are non-compliance with laws and regulations and management override of controls.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in through discussions with management, and from our commercial knowledge and experience of the sector in which the charity operates. This enabled us to identify the key laws and regulations applicable to the charity. We focussed on specific laws and regulations which we considered may have a direct impact on the financial statements including safeguarding, the Companies Act 2006, taxation legislation, data protection and employment laws.

To address the risk of fraud we performed the following audit procedures:

- Thorough review of journal entries and other adjustments for appropriateness and evaluating the rationale of any transactions outside of the normal course of business.
- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness and determine whether there is any bias in management's estimates.
- All team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance.
- Enquiring of management whether there have been any alleged, suspected or actual instances of fraud during the year.
- Enquiring of management and those charged with governance whether there have been any actual or potential litigation or claims.
- Reviewing correspondence with relevant legal authorities.
- Reviewing legal expense accounts for any indicators of litigation or claims.

There are, however, inherent limitations to our above audit procedures. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they are likely to involve deliberate concealment or collusion. It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

#### **Use of our report**

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

# ORWELL MENCAP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ORWELL MENCAP

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*H Rumsey*

**Helen Rumsey (Senior Statutory Auditor)**  
For and on behalf of Ensors, Statutory Auditor  
Chartered Accountants  
Third Floor  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ  
Date: .....19/12/25

# ORWELL MENCAP

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024 as restated
	Notes	£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	3	2,966	62,155	65,121	21,188	168,812	190,000
Charitable activities	4	2,067,369	-	2,067,369	1,798,447	21,027	1,819,474
Investments	5	1,620	-	1,620	5,915	-	5,915
<b>Total income</b>		<u>2,071,955</u>	<u>62,155</u>	<u>2,134,110</u>	<u>1,825,550</u>	<u>189,839</u>	<u>2,015,389</u>
<b>Expenditure on:</b>							
Raising funds	6	25,203	-	25,203	30,183	-	30,183
Charitable activities	7	1,987,438	55,188	2,042,626	2,028,836	119,042	2,147,878
Other expenditure	10	9,194	13,225	22,419	4,097	-	4,097
<b>Total expenditure</b>		<u>2,021,835</u>	<u>68,413</u>	<u>2,090,248</u>	<u>2,063,116</u>	<u>119,042</u>	<u>2,182,158</u>
Net gains/(losses) on investments	11	11,187	-	11,187	4,094	-	4,094
<b>Net income/(expenditure)</b>		<u>61,307</u>	<u>(6,258)</u>	<u>55,049</u>	<u>(233,472)</u>	<u>70,797</u>	<u>(162,675)</u>
Transfers between funds		-	-	-	(10,097)	10,097	-
<b>Net movement in funds</b>	8	<u>61,307</u>	<u>(6,258)</u>	<u>55,049</u>	<u>(243,569)</u>	<u>80,894</u>	<u>(162,675)</u>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2024		<u>483,742</u>	<u>283,505</u>	<u>767,247</u>	<u>727,311</u>	<u>202,611</u>	<u>929,922</u>
<b>Fund balances at 31 March 2025</b>		<u>545,049</u>	<u>277,247</u>	<u>822,296</u>	<u>483,742</u>	<u>283,505</u>	<u>767,247</u>

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

# ORWELL MENCAP

## BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		354,748		464,721
Investments	14		115,281		104,094
			<u>470,029</u>		<u>568,815</u>
<b>Current assets</b>					
Stocks	15	35,930		33,565	
Debtors	16	333,184		260,957	
Cash at bank and in hand		189,243		88,430	
		<u>558,357</u>		<u>382,952</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(206,090)</u>		<u>(184,520)</u>	
<b>Net current assets</b>			<u>352,267</u>		<u>198,432</u>
<b>Total assets less current liabilities</b>			<u>822,296</u>		<u>767,247</u>
<b>The funds of the charity</b>					
Restricted funds	20		277,247		283,505
Unrestricted funds	21		545,049		483,742
			<u>822,296</u>		<u>767,247</u>

The financial statements were approved by the trustees on 18.12.2025



**J Knell**

Company registration number 05984331 (England and Wales)

The notes on pages 15 to 32 form part of these financial statements.

# ORWELL MENCAP

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

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		2025		2024	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	28		99,193		(113,679)
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(255,634)	
Purchase of investments		-		(100,000)	
Investment income received		1,620		5,915	
		<u>1,620</u>		<u>5,915</u>	
<b>Net cash generated from/(used in) investing activities</b>			1,620		(349,719)
<b>Net cash generated from financing activities</b>			-		-
			<u>-</u>		<u>-</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			100,813		(463,398)
Cash and cash equivalents at beginning of year			88,430		551,828
			<u>88,430</u>		<u>551,828</u>
<b>Cash and cash equivalents at end of year</b>			<u>189,243</u>		<u>88,430</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### Charity information

Orwell Mencap is a company limited by guarantee incorporated in England and Wales. The registered office is 6 Wright Road, Ipswich, IP3 9JG.

#### 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, modified to include the revaluation of certain financial instruments at fair value. 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.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

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.

#### 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 included when receivable.

Incoming resources from charitable activities are accounted for when earned.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

(Continued)

##### 1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered:

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

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.

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

##### 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.

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:

Leasehold property	straight line over the period of the lease
Leasehold improvements	straight line over the period of the lease
Plant & machinery	25% reducing balance
Fixtures & fittings	25% reducing balance
Computer equipment	25% reducing balance
Motor vehicles	25% reducing balance

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 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### 1.8 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).

##### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 1 Accounting policies

(Continued)

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

##### 1.10 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.

##### 1.11 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.

##### **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.

##### 1.12 Taxation

The charity is exempt from corporation tax on charitable activities.

##### 1.13 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.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 1 Accounting policies (Continued)

##### 1.14 Retirement benefits

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

##### 1.15 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	2,966	3,155	6,121	21,188	168,812	190,000
Grants	-	59,000	59,000	-	-	-
	<u>2,966</u>	<u>62,155</u>	<u>65,121</u>	<u>21,188</u>	<u>168,812</u>	<u>190,000</u>

#### 4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Day care/domiciliary care and associated charges	1,858,788	-	1,858,788	1,666,038	21,027	1,687,065
Goods made by beneficiaries	189,787	-	189,787	108,597	-	108,597
Premises rental	18,794	-	18,794	23,812	-	23,812
	<u>2,067,369</u>	<u>-</u>	<u>2,067,369</u>	<u>1,798,447</u>	<u>21,027</u>	<u>1,819,474</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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### 5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	1,620	5,915

### 6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Fundraising and publicity</b>		
Advertising	3,144	4,917
Other fundraising costs	-	3,557
Staff costs	22,059	21,709
	<u>25,203</u>	<u>30,183</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on charitable activities	Direct Costs		Support Costs		Governance Costs		Total		Direct Costs as restated		Support Costs as restated		Governance Costs as restated		Total	
	2025	£	2025	£	2025	£	2025	£	2024	£	2024	£	2024	£	2024	£
Staff costs	1,313,233		214,072		22,059		1,549,364		1,435,358		236,005		7,124		1,678,487	
Depreciation and impairment	-		87,554		-		87,554		-		80,364		-		80,364	
Rent and Rates	78,712		-		-		78,712		69,350		-		-		69,350	
Licenses and Subscriptions	-		14,503		-		14,503		-		7,871		-		7,871	
IT, Printing and Stationary	-		54,013		-		54,013		-		46,051		-		46,051	
Vehicle Expenses	19,467		-		-		19,467		18,386		-		817		19,203	
Other Staff Costs	18,538		14,774		-		33,312		17,105		24,153		23,505		64,763	
Legal and Professional Fees	-		-		67,927		67,927		-		-		23,434		23,434	
Bank Charges	-		1,538		-		1,538		3,704		1,225		-		4,929	
Stock Costs	3,132		-		-		3,132		1,038		697		-		1,735	
Direct Expenses	95,291		-		-		95,291		104,305		-		-		104,305	
Unrecovered Input VAT	-		37,813		-		37,813		-		47,386		-		47,386	
	<u>1,528,373</u>		<u>424,267</u>		<u>89,986</u>		<u>2,042,626</u>		<u>1,649,246</u>		<u>443,752</u>		<u>54,880</u>		<u>2,147,878</u>	
<b>Analysis by fund</b>																
Unrestricted funds	1,499,179		398,273		89,986		1,987,438		1,530,204		443,752		54,880		2,028,836	
Restricted funds	29,194		25,994		-		55,188		119,042		-		-		119,042	
	<u>1,528,373</u>		<u>424,267</u>		<u>89,986</u>		<u>2,042,626</u>		<u>1,649,246</u>		<u>443,752</u>		<u>54,880</u>		<u>2,147,878</u>	
<b>Analysis by activity</b>																
Day care/domiciliary charges	1,388,233		394,963		89,986		1,873,182		1,751,345		68,514		21,095		1,840,954	
Goods made by beneficiaries	140,140		29,304		-		169,444		182,872		119,309		4,743		306,924	
	<u>1,528,373</u>		<u>424,267</u>		<u>89,986</u>		<u>2,042,626</u>		<u>1,934,217</u>		<u>187,823</u>		<u>25,838</u>		<u>2,147,878</u>	

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

<b>8</b>	<b>Net movement in funds</b>	<b>2025</b>	<b>2024</b>
		<b>£</b>	<b>£</b>
	The net movement in funds is stated after charging/(crediting):		
	Fees payable to the charity's auditor:		
	- for the audit of the charity's financial statements	15,100	14,000
	- for other financial services	6,250	7,775
	Depreciation of owned tangible fixed assets	87,554	80,364
	Loss on disposal of tangible fixed assets	22,419	4,097
	Operating lease charges	576	576
		<u>132,909</u>	<u>106,816</u>

### 9 Employees

The average monthly number of employees during the year was:

	<b>2025</b>	<b>2024</b>
	<b>Number</b>	<b>Number</b>
Day care/domicilliary care	78	93
Administration & support (including CEO)	5	5
Total	<u>83</u>	<u>98</u>

<b>Employment costs</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,463,582	1,571,521
Social security costs	86,665	105,631
Other pension costs	21,176	23,044
	<u>1,571,423</u>	<u>1,700,196</u>

There were no employees whose annual remuneration was more than £60,000 in either year.

#### Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>117,316</u>	<u>150,253</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 10 Other expenditure

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Net loss on disposal of tangible fixed assets	9,194	13,225	22,419	4,097	-	4,097

### 11 Gains and losses on investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Gains/(losses) arising on:		
Revaluation of investments	11,187	4,094

### 12 Taxation

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

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Tangible fixed assets	Leasehold property improvements £	Leasehold improvements £	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>							
At 1 April 2024	90,000	726,881	143,978	39,299	73,503	118,150	1,191,811
Disposals	-	(144,924)	(59,961)	(24,575)	(10,717)	(3,580)	(243,757)
At 31 March 2025	90,000	581,957	84,017	14,724	62,786	114,570	948,054
<b>Depreciation and impairment</b>							
At 1 April 2024	81,000	386,671	103,960	33,173	25,914	96,371	727,089
Depreciation charged in the year	2,997	55,467	10,005	1,742	11,898	5,445	87,554
Eliminated in respect of disposals	-	(129,293)	(56,339)	(22,853)	(9,668)	(3,184)	(221,337)
At 31 March 2025	83,997	312,845	57,626	12,062	28,144	98,632	593,306
<b>Carrying amount</b>							
At 31 March 2025	6,003	269,112	26,391	2,662	34,642	15,938	354,748
At 31 March 2024	9,000	340,209	40,018	6,126	47,589	21,779	464,721

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 14 Fixed asset investments

	M&G Charifund Investment £
<b>Cost or valuation</b>	
At 1 April 2024	104,094
Valuation changes	11,187
At 31 March 2025	<u>115,281</u>
<b>Carrying amount</b>	
At 31 March 2025	<u><u>115,281</u></u>
At 31 March 2024	<u><u>104,094</u></u>

Historical cost of the above investments is £100,000 (2024: £100,000)

#### 15 Stocks

	2025 £	2024 £
Raw materials	7,964	7,435
Work in progress	14,489	15,092
Finished goods	13,477	11,038
	<u>35,930</u>	<u>33,565</u>

#### 16 Debtors

	2025 £	2024 £
<b>Amounts falling due within one year:</b>		
Trade debtors	296,192	234,735
Other debtors	19,975	4,220
Prepayments and accrued income	17,017	22,002
	<u>333,184</u>	<u>260,957</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 17 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	62,779	67,345
Trade creditors	40,683	37,720
Other creditors	36,992	10,281
Accruals and deferred income	65,636	69,174
	<u>206,090</u>	<u>184,520</u>

#### 18 Government grants

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Movements in the year:		
Deferred income at 1 April 2024	5,440	20,051
Released from previous periods	(5,440)	(20,051)
Resources deferred in the year	-	5,440
	<u>-</u>	<u>5,440</u>
Deferred income at 31 March 2025	-	5,440

#### 19 Retirement benefit schemes

	2025	2024
	£	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>21,176</u>	<u>23,044</u>

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.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 20 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 as restated £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Fixed asset fund	237,330	-	(39,217)	-	198,113
Garden	1,319	1,100	(117)	-	2,302
Sports equipment	334	-	-	-	334
Green Bike Project building	9,682	-	-	-	9,682
Commemorative tree	18	-	-	-	18
Cost of living assistance	3,258	-	-	-	3,258
Garden tutor	15,584	-	(14,280)	-	1,304
New bath	5,920	3,055	-	-	8,975
Projector	3,000	-	-	-	3,000
Sensory equipment	302	-	-	-	302
Plinth bed	1,000	-	-	-	1,000
Bruce Wake Trust	658	-	-	-	658
Suffolk Community Foundation	5,100	-	(3,259)	-	1,841
Furniture workshop wages	-	30,000	-	-	30,000
Replacement water pipe	-	3,000	-	-	3,000
Support for staff and families	-	10,000	(9,000)	-	1,000
Green bike project support worker	-	15,000	(2,540)	-	12,460
	<u>283,505</u>	<u>62,155</u>	<u>(68,413)</u>	<u>-</u>	<u>277,247</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 20 Restricted funds

(Continued)

Previous year (as restated):	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Fixed asset fund	74,819	164,839	(2,228)	-	237,430
Garden	294	1,025	-	-	1,319
Sports equipment	981	-	(647)	-	334
Pennington's / Ipswich Rugby Club	2,000	-	(2,000)	-	-
Commemorative tree	18	-	-	-	18
Cost of living assistance	4,166	-	(908)	-	3,258
New bath	2,000	3,920	-	-	5,920
Projector	3,000	-	-	-	3,000
Garden tutor	11,375	14,397	(10,187)	-	15,585
Speech and language therapist	15,704	-	(15,704)	-	-
Sensory equipment	1,000	-	(699)	-	301
Plinth bed	1,000	-	-	-	1,000
Bruce Wake Trust	-	658	-	-	658
Suffolk Community Foundation	-	5,000	-	-	5,000
Activities and coaching	12	-	(12)	-	-
SAICP	1,866	-	(11,963)	10,097	-
Acitivites room	973	-	(973)	-	-
Tennis Coaching	1,000	-	(1,000)	-	-
Pennington's / Ipswich Rugby Club	2,000	-	(2,000)	-	-
Green Bike project building	80,403	-	(70,721)	-	9,682
	<u>202,611</u>	<u>189,839</u>	<u>(119,042)</u>	<u>10,097</u>	<u>283,505</u>

## ORWELL MENCAP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2025

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#### 20 Restricted funds

(Continued)

Lottery funding was obtained during the years ended 31 March 1998 and 1999 and then again in 2001. The initial funding was obtained to purchase the leasehold of and to develop Wright Road, from where the Charity now operates.

Funding obtained during the year ended 31 March 2001 was for the establishment of a sensory garden and sensory room. Kevin Robertson, a support worker, undertook a sponsored silence to raise funds to spend on a summerhouse and the garden at Wright Road.

Royal Mencap and Sports England gave funds towards the purchase of sports equipment to be used by our customers.

Various donors contributed towards the cost of building new premises for the Green Bike Project.

A donation was given to fund the planting of a tree to commemorate the Queen's Platinum Jubilee.

Funds were also provided to purchase a suitable bath for customer personal care.

Funds were received to install a new projector and automated screen in the social zone.

Funding was obtained to employ a Speech and Language Therapist (SALT) and Positive Behaviour Support Practitioner (PBS) to work with the Charity's customers.

Funding was received to purchase new sensory room equipment for customers.

The Will Charitable Trust provided funding to purchase a number of plinth beds and hoists to use for customer personal care.

During the year ended 31 March 2024 funding was received from the Bruce Wake Trust to assist with the provision of leisure activities for the physically disabled.

Funding was received from the Suffolk Community Foundation for the Green Bike Project.

#### **During the current year:**

Funding was received from the Rope Trust for a work shop supervisor.

Funding was received from the Belstead Ganzoni Charitable Trust to assist with the cost of a replacement water pipe.

The Suffolk Community Foundation provided support for staff and families in the form of gift vouchers for employees during the year.

The Baily Thomas Charitable Trust provided additional funding for a second support worker for the Green Bike project.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 21 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 as restated £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Contingency fund	100,000	-	-	-	-	100,000
General funds	383,742	2,071,955	(2,021,835)	-	11,187	445,049
	<u>483,742</u>	<u>2,071,955</u>	<u>(2,021,835)</u>	<u>-</u>	<u>11,187</u>	<u>545,049</u>
<b>Previous year:</b>	<b>At 1 April 2023 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Gains and losses £</b>	<b>At 31 March 2024 as restated £</b>
Contingency fund	293,000	-	(193,000)	-	-	100,000
Property fund	20,000	-	(5,822)	(14,178)	-	-
Equipment fund	150,000	-	-	(150,000)	-	-
General funds	264,311	1,825,550	(1,864,294)	154,081	4,094	383,742
	<u>727,311</u>	<u>1,825,550</u>	<u>(2,063,116)</u>	<u>(10,097)</u>	<u>4,094</u>	<u>483,742</u>

Designated funds are not separate cash reserves; they form part of unrestricted funds and are earmarked by the trustees for future needs. Unrestricted funds also include the charity's tangible fixed assets, which are not available for day-to-day expenditure. The amount of free reserves, representing funds readily available for general use after allowing for fixed assets is £346,936.

The Contingency fund was put in place to cover activity in the event of loss of funding to ensure continuity of service delivery whilst alternative funding is sought.

The Property fund was initially set up for the purpose of securing new premises in the event that the current lease was not renewed. However a lease extension was confirmed and therefore renewal fees were charged against this fund. The remainder of the fund has been transferred into general unrestricted funds.

The Equipment fund was established to allow for replacement projects and improvements to the Charity's facilities and vehicles. During the year this was transferred into general unrestricted funds to cover the general running costs of the charity.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 22 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
<b>At 31 March 2025:</b>			
Tangible assets	156,635	198,113	354,748
Investments	115,281	-	115,281
Current assets/(liabilities)	273,133	79,134	352,267
	<u>545,049</u>	<u>277,247</u>	<u>822,296</u>

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 as restated £
<b>At 31 March 2024:</b>			
Tangible assets	226,991	237,730	464,721
Investments	104,094	-	104,094
Current assets/(liabilities)	152,657	45,775	198,432
	<u>483,742</u>	<u>283,505</u>	<u>767,247</u>

#### 23 Members' Liability

The Charity is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such an amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are still a member, or within one year after they cease to be a member, to cover the liabilities of the company.

#### 24 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	576	576
Between two and five years	144	720
	<u>720</u>	<u>1,296</u>

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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#### 25 Capital commitments

At the year end the Charity had no capital commitments (2024: £nil).

#### 26 Related party transactions

The Trustees received no remuneration during either year. One Trustee was reimbursed for expenditure incurred on behalf of the charity for £nil (2024 : £35)

Care was provided during the year for the relatives of two (2024: two) of the Trustees – J Stevens and J Knell. The total care invoiced to these Trustees, on the same basis as for other customers, was £33,875 (2024: £31,982). The amount owed to the charity at the year-end was £2,831 (2024: £2,647).

Care has also been provided to one of the Trustees, J Dickson, via Suffolk County Council. The total care provided during the year totaled £30,346 (2024: £28,973), the amount charged was on the same basis as for other customers. The amount owed to the charity at the year-end was £4,697 (2024: £nil).

The Charity obtained HR support for £5,604 (2024: £6,352) from Blue Star Limited, a company of which B England (former Trustee) is a shareholder. At the year-end £nil (2024: £nil) was owed to Blue Star. The transaction was conducted on an arms-length basis on the same terms as if the company was not a related party.

In the prior year, donations of £20 were made by the Trustees to the Charity.

During the year, the CEO of the charity temporarily advanced £20,000 to the charity to meet payroll obligations whilst the Charity's banking could not be accessed. This amount was repaid in full within the same month. No interest or fees were charged.

#### 27 Prior Year Adjustments

During the year, the charity identified two matters requiring restatement of comparative figures for the year ended 31 December 2024:

##### **Reanalysis of Expenditure Between Activities**

Previously, support and overhead costs were allocated to charitable activities based on floor space usage. This method was not considered reflective of the way the charity operates. The allocation basis has been revised to better reflect actual operational activity and resource usage. As a result, expenditure has been reanalysed between activities in the Statement of Financial Activities (SOFA).

This change affects the presentation of expenditure between activities only and does not impact total expenditure or net movement in funds.

##### **Restatement of Restricted Fund**

It was identified that a restricted fund reported as carried forward at 31 March 2024 had in fact been fully spent in the prior year (2023/24). This was the Ropes Trust restricted fund of £10,490, which was fully spent on the salary for a speech and language therapist in the prior year. The comparative figures have therefore been corrected to remove the restricted fund balance and adjust the SOFA accordingly.

This adjustment reduces restricted funds brought forward and carried forward in the comparative figures but does not affect total funds or the cash position.

# ORWELL MENCAP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

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28 Cash generated from/(absorbed by) operations	2025	2024
	£	£
Surplus/(deficit) for the year	55,049	(162,675)
<b>Adjustments for:</b>		
Investment income recognised in statement of financial activities	(1,620)	(5,915)
Loss on disposal of tangible fixed assets	22,419	4,097
Fair value gains and losses on investments	(11,187)	(4,094)
Depreciation and impairment of tangible fixed assets	87,554	80,364
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(2,365)	5,559
(Increase) in debtors	(72,227)	(31,381)
Increase in creditors	21,570	20,417
(Decrease) in deferred income	-	(20,051)
<b>Cash generated from/(absorbed by) operations</b>	<u>99,193</u>	<u>(113,679)</u>

### 29 Analysis of changes in net funds

The charity had no material debt during the year.



**ORWELL MENCAP**

England & Wales - Charity number 1117888

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# Accounts

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**Charity Registration No. 1117888**

**Company Registration No. 05984331 (England and Wales)**

**ORWELL MENCAP**  
(a company limited by guarantee)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2024**

# ORWELL MENCAP

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# ORWELL MENCAP

## REFERENCE AND ADMINISTRATIVE DETAILS

Year ended 31 March 2024

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**Name:** Orwell Mencap (also operates under working names of Genesis, Green Bike Project, Stars and Buddies)

**Legal structure:** Orwell Mencap is a company limited by guarantee in the United Kingdom, company number 05984331, incorporated 31 October 2006 and registered as a charity on 8 February 2007, charity number 1117888.

**Trustees:** B England (resigned 1 July 2024)  
J Knell  
M Scrogie  
J Stevens  
E Franks  
J Dickson  
S Chesworth (appointed 20 September 2024)  
S Girling (appointed 20 September 2024)  
M Smith (appointed 24 December 2024)

**Chief executive:** R Hart

**Principal address & registered office:** 6 Wright Road  
Ipswich  
IP3 9JG

**Auditors:** Ensors Accountants LLP  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

**Bankers:** Barclays Bank plc  
1 Princes Street  
Ipswich  
IP1 1PB

**Solicitors:** Ashtons Legal  
Portman House  
120 Princes Street  
Ipswich  
IP1 1RS

## **ORWELL MENCAP**

### **TRUSTEES' REPORT**

#### **Year ended 31 March 2024**

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The Trustees present their report and accounts for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Orwell Mencap's governing document, the Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019).

The Charity also operates under the working names of Genesis, Green Bike Project, BUDDIES and STARS

The Charity is affiliated to the Royal Mencap Society (Mencap) and bases its Memorandum and Articles of Association on the Royal Mencap Society's model constitution.

#### **STATUS AND GOVERNING INSTRUMENT**

Orwell Mencap is a company limited by guarantee, incorporated 31 October 2006. The company was registered as a charity on 8 February 2007, charity number 1117888, and is governed by its Memorandum and Articles of Association.

#### **TRUSTEES**

During this year we had six members on the Board of Trustees including a service user.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is administered by an Executive Committee of Trustees appointed at the Charity's Annual General Meeting or subsequently by co-option until the following AGM. The Trustees have met regularly throughout the year.

At its meetings the Executive Committee follows a standard agenda to set the strategic direction of the Charity. The day-to-day management of activities and staff is delegated to the Chief Executive, who regularly reports back at the meetings of the Executive Committee and via a monthly report.

#### **Appointment and recruitment of Trustees**

New trustees are identified through appropriate networks and are appointed at the annual general meeting by the members. Trustees with specific management skills or experience in the field of learning disability are also co-opted to fill vacancies on the Executive Committee. Orwell Mencap is committed to equality and diversity in the recruitment of trustees and aims to appoint suitably qualified trustees from as broad a spectrum of the community as is possible. To this end, Orwell Mencap undertakes periodic analysis of trustees' skills and experiences in order to identify areas that could be strengthened by either recruitment of new trustees or training.

Prospective Trustees are first invited to view our services, talk to our service users and learn something of the culture and ethos of our organisation. They are then invited to submit a CV, apply for membership of Orwell Mencap, and are put forward for appointment. Once appointed or co-opted trustees receive induction, training and further support where appropriate.

Five members of the Trustee board were re-elected at the AGM along with election of Chair, Vice-chair and Treasurer.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2024**

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#### **Involving service users**

It is hoped that through training, mentoring and appropriate support that people with learning disabilities will play a meaningful and increasing role in the running of the Charity. During the year we continued to seek opinion and representation from the clients and their carers, ensuring implementation of changes as a result of findings. The continued involvement of a service user as trustee highlights our continued efforts to strive for representation from our clients and, to this end, the service user Trustee has been fully involved in customer related issues and discussions.

Two trustees serving on the Executive Committee 2023 to 2024 were parents/carers of people with disabilities who, during that period, used Genesis services. One trustee was a customer.

#### **Safeguarding vulnerable adults**

All of the Charity's trustees and staff go through a full DBS police check.

#### **AIMS AND OBJECTIVES**

During the year ended 31 March 2024 the objects of the Charity were: -

The relief of those people in need through disabilities and disadvantages by identifying, promoting their needs, and providing services and facilities for the public benefit.

#### **PUBLIC BENEFIT**

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees are confident that Orwell Mencap's objects, as detailed above, are in accordance with the regulations on public benefit.

#### **REVIEW OF ACTIVITIES**

Orwell Mencap provides a wide range of care, support and training for people with learning and physical disabilities and the Charity's objectives are currently met through:

- Working with other organisations,
- Provision of day services for recreation
- Evening social clubs,
- Holiday clubs
- Domiciliary care and staffing supported living accommodation
- Social enterprises.
- Working towards becoming a 'Total Communication' organisation

Our website ([www.orwellmencap.co.uk](http://www.orwellmencap.co.uk)) continues to be regularly updated to ensure it remains relevant and useful. We continue to increase our online profile reporting several times a week on all platforms. Having a member of staff responsible for social/digital media and marketing has resulted in a significant increase in awareness of and engagement with Orwell Mencap in the community, including increased inquiries from potential clients and staff.

#### **Working with other organisations**

Orwell Mencap believes very much in working in partnership with like-minded organisations as well as the National Mencap society and its affiliated groups. Much headway has been made with SLT and trustees liaising with other local providers.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2024**

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Regular contact is maintained by our CEO and chair of trustees with key staff from Suffolk County Council Adult Social Care regarding the provision of adult care services and funding.

We continue to liaise with other day service providers and homes to promote good continuity of support for our services users and to allow service users to access multiple services, we also worked with Activities Unlimited and The Bridge schools to develop our holiday clubs operating in Ipswich. We also run a Saturday Club from Wright Road premises.

Genesis continues to reach out into the wider community, in particular to special schools wherever possible (and practical) on a range of initiatives and partnership working opportunities.

#### **Genesis day service provision**

The day centre has continued to expand. Customer numbers have increased but continue to be a priority as does staff retention/engagement. Genesis has been investing in the facilities to ensure it is the premium location in the area and meets the growing needs of our users. The Green Bike Project opened its new purpose-built facility on site. A Garden Tutor joined the staff team opening up a new activity for customers.

#### **Domiciliary service provision**

Genesis provides a limited domiciliary service to people through tailored individual support for people with learning disabilities and their carers and families in the community.

This can be anything from just a few hours a week to provide support to access social activities at home or at other locations, during the day, evening or at weekends.

#### **Supported Living**

Genesis also provides around the clock support to three customers to live as independently as possible in a home of their own

#### **Evening Social Clubs**

The evening Social club has been open during this year and membership continues to grow.

#### **Holiday clubs and after school clubs**

Holiday clubs have also been running throughout most of this period, however, it was decided at the end of the period to conclude this provision due to financial and staffing impact.

#### **Social enterprises**

##### **(i) Genesis garden furniture**

From its fully-equipped workshop Genesis produces hardwood garden furniture of the highest quality, providing work experience, life skills, and undoubted benefits to self-esteem and mental health to those with disabilities. The furniture has a high reputation and Genesis is a preferred supplier for many local authorities including Ipswich Borough Council's parks. Orders, however during this period have decreased significantly and trustees and senior leadership team are monitoring the situation closely with a view to making strategic changes to reduce costs.

##### **(ii) Eco-fuel briquettes**

As a by-product of its furniture manufacture Genesis recycles its own sawdust as well as collected sawdust from local sawmills into compressed briquettes for resale.

##### **(iii) Green Bike Project**

The Green Bike Project takes unwanted bicycles and trains people with disabilities to repair, refurbish and recycle the machines for resale and community use. The newly built Bike workshop has enabled Genesis to increase capacity and sales continue to grow.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2024**

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#### **VOLUNTEERS AND STAFF**

The Charity welcomes volunteers to help support our activities at Genesis. We appreciate the involvement of both our regular volunteers as well as those that help on specific projects or events, giving freely of their time and energy to enrich the experiences of our service users. We have this year attracted several volunteers many of whom have made significant contributions in time to make improvements to the environment.

The trustees would like to thank all of the charity's staff for their continued dedication to our customers during this period.

The trustees would also like to thank all the many individuals and organisations who kindly contributed donations and grants to us.

#### **FINANCIAL RESULTS FOR THE YEAR**

The total incoming resources to 31 March 2024 are stated at £2,019,483 compared to £1,760,655 for the year to 31 March 2023.

Total resources expended amount to £2,182,158 up from £1,789,152 for 31 March 2023. This means the results have shown a deficit of £162,675 compared to a deficit of £28,497 for the previous year.

Customer attendance has continued to be our main focus and challenge.

Recruitment continues to be challenging for the whole of the social care sector as pay has not kept up with retail and so it has become more attractive to work in other sectors. Genesis has seen some increase in staff engagement but continues to recruit within challenging circumstances.

The current cost of living crisis has impacted our services not only through increased expenditure for utilities but also food cost increasing in our Diner provision. These have put added pressure on our pricing which cannot be fully forwarded onto customer finance.

To tackle these challenges the Senior Leadership Team (SLT) developed a three-year break-even projection that was agreed by the Trustee board to return the charity to a surplus position. It is based over three years to give the SLT time to continue to implement refurbishment works to the premises as well as make the service attractive to the new and existing staff to help with retention levels. At the mid-way point through this projection, whilst the outcome cannot be guaranteed, management are confident that sufficient strides have been made in returning the charity to a breakeven position.

The development of the new Green Bike workshop was completed in the year, consisting of considerable capital expenditure. This has enabled the expanded provision of valuable work experience to adults with learning disabilities.

#### **POLICIES**

##### **Reserves**

The Trustees are committed to maintaining a sufficient level of reserves to ensure that all contractual and statutory liabilities can be satisfied and the business is viable in the long term. At the year end the Charity held funds amounting to £767,247 of which £293,994 were restricted.

The Charity's reserves policy is to hold sufficient reserves to enable them to operate for at least 3 months. At the time of writing, this would equate to approximately £440,000. At the year end, actual unrestricted reserves are £473,254, being £33,254 above those required under the policy. However, this includes £227,392 of unrestricted funds held as fixed assets. The reserves are to be further build up via the 3-year recovery plan produced by management.

Trustees are confident in the 3-year plan and the progress made towards achieving this.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2024**

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#### **Investments**

Trustees have tasked SLT with ensuring the funds of Genesis are working as effectively as possible to provide returns on the levels of reserves the Charity possesses.

#### **RISK MANAGEMENT**

During the year the trustees delegated the management of risks to the CEO. The principal risks identified during the year and the control procedures used to mitigate against those risks were:

- Contract risk from Suffolk County Council – monitor numbers of SCC customers and changes in SCC funding regime.
- Competition from other providers – increase marketing and maintain competitiveness.
- Recruitment issues – increased use of social media and financial incentives
- Analysing barriers to being able to increase customer numbers
- Deficit – Monitor the three year plan to return to surplus. This will comprise of identifying savings, increasing customer and staff numbers to meet demand, review all business units to ensure all remain competitive and contribute to the benefit of the Charity's activities.

#### **STRATEGIC GOALS**

1. Focus on Care
2. Balance the Budget
3. Increase customer numbers
4. Improve facilities
5. Invest in staff
6. Invest in training

#### **THE FUTURE AND GOING CONCERN**

At present, it seems achievable for the charity to accomplish a break-even position by the end of year 3. A significant amount of work has gone into promoting and marketing of our services during the period 2023 – 2024 and is continuing.

New, strong links have been formed with local special schools and several strategic connections made with key people at Suffolk County Council. Awareness-raising has been a big focus of the CEO and chair of trustees.

The opening of the new Green Bike Project workshop showed signs of steady progress throughout the year. The general updating and upgrading of all facilities achieved through grants and restricted funding means what we have to offer our existing customers and new customers is much improved.

At the time of approving the financial statements, the trustees consider there to be an uncertainty that may cast doubt on the Charity's long term ability to continue as a going concern. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, albeit this relies upon continued progress being made towards the 3-year plan to return the charity to a breakeven position. The trustees have continued to adopt the going concern basis of accounting in preparing the financial statements.

#### **PAY POLICY FOR SENIOR STAFF**

The directors consider the Executive Committee, who are the charity's trustees, and the senior leadership team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All the trustees give of their time freely and no trustees received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 7 and 21 to the accounts.

The pay of senior staff is set by the trustees.

# ORWELL MENCAP

## TRUSTEES' REPORT (Continued)

Year ended 31 March 2024

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### TANGIBLE FIXED ASSETS

Movements in fixed assets during the year are set out in note 9 to the accounts.

### FUNDRAISING

The charity has made several applications for grants between 2023 and 2024 and customers have benefitted greatly from use of those funds as Genesis has improved the facilities and customer offering. The charity does not use third parties to raise funds on our behalf and we have not received any complaints regarding fundraising.

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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 the incoming resources and application of resources, including the income and expenditure, for the 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; 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 proper 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.

### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Charity's auditors are aware of such information.

### AUDITORS

A resolution proposing that Ensors be reappointed as auditors of the Charity will be put to the members.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Trustees

.....  
Jill Knell  
Chair

Date: .....

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP

For the year ended 31 March 2024

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#### Qualified opinion

We have audited the financial statements of Orwell Mencap (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible 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 as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for qualified opinion

We were unable to confirm the completeness of the charitable company's income for a portion of the year. Staff changes and a change of system meant that records were not available to provide a complete audit trail. The period impacted was the first six months of the year. We were unable to satisfy ourselves by alternative means. Consequently we were unable to determine whether any adjustment to the recorded income was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### Material uncertainty relating to going concern

We draw attention to note 1 of the financial statements, which indicates the existence of a material uncertainty in relation to going concern. The Charity has reported losses for the current year and since the year end. In addition, the Charity's cash balance and reserves have depleted. In our opinion, this constitutes a material uncertainty regarding the ability of the charity to continue for a period of at least twelve months from when the financial statements are authorised for issue.

#### 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.

Other than those noted above, 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. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)**

**For the year ended 31 March 2024**

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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.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the completeness of income for the first six months of the year. We have concluded that where the other information refers to income it may be materially misstated for the same reason.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

Arising solely from the limitation on the scope of our work relating to income, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

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

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)

#### For the year ended 31 March 2024

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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:

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements are free from material misstatement due to fraud. As noted above in the basis for qualified opinion section of our report we were unable to obtain a full audit trail for a portion of the year in relation to the charity's income, which has limited our ability to detect irregularities in this area.

In planning and designing our audit procedures we assessed the risks of material misstatement due to fraud. Our assessment concluded that the areas of highest risk are non-compliance with laws and regulations and management override of controls.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in through discussions with management, and from our commercial knowledge and experience of the sector in which the charity operates. This enabled us to identify the key laws and regulations applicable to the charity. We focussed on specific laws and regulations which we considered may have a direct impact on the financial statements including safeguarding, the Companies Act 2006, taxation legislation, data protection and employment laws.

To address the risk of fraud we performed the following audit procedures:

- Thorough review of journal entries and other adjustments for appropriateness and evaluating the rationale of any transactions outside of the normal course of business.
- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness and determine whether there is any bias in management's estimates.
- All team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance.
- Enquiring of management whether there have been any alleged, suspected or actual instances of fraud during the year.
- Enquiring of management and those charged with governance whether there have been any actual or potential litigation or claims.
- Reviewing correspondence with relevant legal authorities.
- Reviewing legal expense accounts for any indicators of litigation or claims.

There are, however, inherent limitations to our above audit procedures. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they are likely to involve deliberate concealment or collusion. It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

**ORWELL MENCAP**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)**

**For the year ended 31 March 2024**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Rumsey FCA (Senior Statutory Auditor)

For and on behalf of Ensors Accountants LLP  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

Date: .....

## ORWELL MENCAP

### STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	2023 Total As restated £
<b>Income from:</b>					
Donations and legacies	3	21,188	168,811	189,999	189,012
<i>Charitable activities:</i>					
Day care/domiciliary care and associated charges		1,689,850	21,027	1,710,877	1,448,547
Sales of goods made by beneficiaries		108,597	-	108,597	121,462
<i>Other trading activities</i>					
Fundraising		1	-	1	17
Investments		5,915	-	5,915	1,617
<b>Total income</b>		<b>1,825,551</b>	<b>189,837</b>	<b>2,015,389</b>	<b>1,760,655</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Costs of generating donations and legacies	4	29,560	-	29,560	22,717
Costs of generating fundraising income	4	21,276	-	21,276	16,457
<i>Charitable Activities:</i>					
Day care/domiciliary care and associated charges	4	1,720,590	108,552	1,829,142	1,490,256
Goods made by beneficiaries	4	302,181	-	302,181	259,722
<b>Total expenditure</b>		<b>2,073,606</b>	<b>108,552</b>	<b>2,182,158</b>	<b>1,789,152</b>
Net gain/(loss) on investments		4,094	-	4,094	-
<b>Net income/(expenditure)</b>	6	<b>(243,960)</b>	<b>81,285</b>	<b>(162,675)</b>	<b>(28,497)</b>
Fund transfers		(10,097)	10,097	-	-
<b>Net movement in funds</b>		<b>(254,057)</b>	<b>91,382</b>	<b>(162,675)</b>	<b>(28,497)</b>
Total funds brought forward		727,311	202,611	929,922	958,419
<b>Total funds carried forward</b>		<b>473,254</b>	<b>293,994</b>	<b>767,247</b>	<b>929,922</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 15 to 33 form part of these financial statements

# ORWELL MENCAP

## BALANCE SHEET

As at 31 March 2024

	Note	2024	2023
		£	As restated £
<b>Fixed assets</b>			
Tangible assets	9	464,722	293,549
Investments	10	104,094	-
		<u>568,816</u>	<u>293,549</u>
<b>Current assets</b>			
Stock	11	33,565	39,124
Debtors	12	260,957	229,575
Cash at bank and in hand		88,431	551,828
		<u>382,952</u>	<u>820,527</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	<u>184,520</u>	<u>184,154</u>
<b>NET CURRENT ASSETS</b>		<u>198,432</u>	<u>636,373</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>767,247</u>	<u>929,922</u>
<b>Funds</b>			
Unrestricted			
- general	14	373,254	264,311
- designated	14	100,000	463,000
		<u>473,254</u>	<u>727,311</u>
Restricted	15	<u>293,994</u>	<u>202,611</u>
<b>TOTAL FUNDS</b>		<u>767,247</u>	<u>929,922</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Executive Committee on .....

and signed on its behalf by

.....  
J Knell

**Company registration no. 05984331**

The notes on pages 15 to 33 form part of these financial statements.

**ORWELL MENCAP****STATEMENT OF CASH FLOWS****For the year ended 31 March 2024**

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	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>£</b>	<b>£</b>
<b>Cash flow from operating activities</b>	17	(113,678)	43,866
<b>Cash flow from investing activities</b>			
Interest income		5,915	1,617
Purchase of tangible fixed assets		(255,634)	(41,116)
Sale proceeds from disposal of tangible fixed assets		-	1,416
Purchase of investments		(100,000)	-
		<hr/>	<hr/>
		(349,719)	(38,083)
<b>(Decrease) / increase in cash &amp; cash equivalents in the year</b>		<hr/>	<hr/>
		(463,397)	5,783
<b>Cash &amp; cash equivalents at the beginning of the year</b>		<hr/>	<hr/>
		551,828	546,045
<b>Total cash &amp; cash equivalents at the end of the year</b>		<hr/>	<hr/>
		<u>88,431</u>	<u>551,828</u>

**1. ACCOUNTING POLICIES**

**Charity information**

Orwell Mencap is a company limited by guarantee incorporated in England and Wales. The registered office is 6 Wright Road, Ipswich, IP3 9JG. The charity is a Public Benefit Entity as defined by FRS 102.

**Basis of accounting**

These accounts have been prepared under the historical cost convention, modified to include fixed asset investments at fair value, in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

These accounts are denominated in pound sterling and are rounded to the nearest pound.

**Going concern basis**

During the year, and since the year end, the Charity has reported losses and seen a significant reduction in cash reserves. The Trustees consider there to be an uncertainty which exists that may cast doubt on the Charity's ability to continue as a going concern in the future. However, the Trustees are confident in the progress made towards achieving the 3-year plan to return the charity to a breakeven position and therefore there is no expectation that the Charity will not remain a going concern for the twelve months subsequent to the signing of these financial statements. Thus, the Trustees continue to adopt the going concern basis in these financial statements.

**Fund accounting**

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables are accounted for as the Charity earns the right to consideration by its performance.

**Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising.
- 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. floor areas or estimated usage as set out in notes 4 and 5.

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

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### 1. ACCOUNTING POLICIES (continued)

#### **Pension commitments**

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

#### **Employee benefits**

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

#### **Fixed assets**

Fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

#### **Depreciation**

Depreciation is calculated to write off the cost of the assets over the period of the expected useful life of each class of asset as follows:

Leasehold property	- straight line over the period of the lease
Leasehold improvements	- straight line over the period of the lease
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance
Plant & machinery	- 25% reducing balance

Assets in the course of construction are not depreciated.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of an asset and is recognised in net income/(expenditure) for the year.

#### **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). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and includes cash in hand, deposits held with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

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#### 1. ACCOUNTING POLICIES (continued)

##### **Leasing**

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

##### **Taxation**

The charity is exempt from corporation tax on charitable activities.

##### **Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

##### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' 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.

##### ***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 receipts 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.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

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#### 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

	Unrestricted	Restricted	2024 Total	2023 Total as restated
	£	£	£	£
<b>Donations and legacies</b>				
Donations	21,188	168,811	189,999	139,913
Suffolk County Council	-	-	-	49,099
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<u>21,188</u>	<u>168,811</u>	<u>189,999</u>	<u>189,012</u>

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

### 4. EXPENDITURE

	Voluntary income	Fundraising	Day Care/ domiciliary and assoc charges	Goods made by beneficiaries	2024 total	2023 total	Basis of allocation
	£	£	£	£	£	£	
<b>Costs directly allocated to activities</b>							
Wages & salaries	-	-	1,327,551	127,503	1,455,054	1,222,885	Direct
Motor expenses	-	-	25,630	6,317	31,947	29,710	Direct
Venue hire	-	-	4,100	-	4,100	4,600	Direct
Timber/material etc	-	-	300	31,817	32,117	22,869	Direct
Depreciation	-	-	8,511	5,336	14,080	10,581	Direct
Loss on disposal	-	-	4,076	-	4,076	1,761	Direct
Sessions/costs	-	-	45,223	11	45,234	37,912	Direct
Subscriptions & training	-	-	375	521	896	4,468	Direct
Building & equip maintenance	-	-	6,182	3,026	9,208	10,640	Direct
Irrecoverable VAT	-	-	47,386	-	47,386	27,330	Direct
Miscellaneous costs	-	-	1,970	3,197	5,167	3,639	Direct
Canteen costs	-	-	10,677	5	10,682	13,860	Direct
Electricity	-	-	-	-	-	-	Direct
Professional fees	-	-	5,823	299	6,121	3,368	Direct
Bad debt	-	-	2,997	-	2,997	1,826	Direct
Governance costs	1,694	1,210	14,033	4,839	21,775	19,502	
<b>2024 total costs directly allocated</b>	<b>1,694</b>	<b>1,210</b>	<b>1,504,833</b>	<b>182,872</b>	<b>1,690,841</b>	<b>1,414,951</b>	
<b>Support costs allocated to activities</b>							
	Voluntary income	Fundraising	Daycare/ domiciliary and assoc charges	Goods made by beneficiaries	2024 total	2023 total	Basis of allocation
	£	£	£	£	£	£	
Premises costs	662	662	33,083	30,436	64,842	48,517	Floor area
General office & finance staff	18,356	13,111	152,092	52,446	236,005	181,434	Staff time
Training, advertising & subscriptions	844	603	6,991	2,411	10,848	4,655	Staff time
Health & Safety PPE	15	11	128	44	198	3,404	Staff time
Motor expenses & subsistence	5	4	45	15	69	127	Staff time
General costs - insurance	109	109	5,433	4,998	10,649	9,409	Floor area
Depreciation	116	116	59,044	5,644	64,688	57,990	Floor area
Loss on disposal	-	-	-	-	-	(1,331)	Floor area
Finance costs - bank charges	144	-	1,615	135	1,894	2,022	Turnover
Computing costs	3,117	2,227	26,499	8,907	40,751	21,017	Usage*
Legal, professional & consultancy	1,900	1,357	16,153	5,429	24,840	8,021	Usage*
Postage, stationery & advertising	552	394	4,693	1,578	7,218	4,210	Usage*
Communications - telephone	571	408	4,852	1,631	7,461	3,087	Usage*
Sundry expenses - miscellaneous	312	223	2,671	892	4,098	3,780	Usage*
Governance costs	1,163	841	11,009	4,743	17,756	27,865	
<b>2024 total support costs allocated</b>	<b>27,866</b>	<b>20,065</b>	<b>324,308</b>	<b>119,309</b>	<b>491,316</b>	<b>374,207</b>	
<b>Total resources expended</b>	<b>29,560</b>	<b>21,275</b>	<b>1,829,141</b>	<b>302,181</b>	<b>2,182,157</b>	<b>1,789,152</b>	
2023 total costs directly allocated	1,517	1,083	1,264,377	147,972	1,414,951		
2023 total support costs allocated	21,200	15,374	225,879	111,751	374,207		
2023 total resources expended	22,717	16,457	1,490,256	259,723	1,789,152		

\*usage based on staff time

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

### 5. GOVERNANCE COSTS

Governance costs are allocated between the four expenditure categories, as shown below:

	Voluntary income	Fundraising	Day Care/ domiciliary and assoc charges	Goods made by beneficiaries	2024 total	2023 total	
	£	£	£	£	£	£	
<b>Costs directly allocated to activities</b>							
Audit & accountancy	1,694	1,210	14,033	4,839	21,775	19,502	Direct
<b>Support costs allocated to activities</b>							
Premises costs	14	14	697	642	1,366	990	Floor area
General office & finance staff	554	396	4,591	1,583	7,124	20,160	Staff time
Training, advertising & subscriptions	55	40	459	159	713	517	Staff time
Health & Safety PPE	40	29	337	116	522	378	Staff time
Motor expenses & Subsistence	1	1	12	4	19	14	Staff time
General costs - insurance	3	3	135	124	265	192	Floor area
Depreciation	17	17	814	749	1,597	1,184	Floor area
Loss on disposal	-	-	-	-	-	(27)	Floor area
Computing costs	251	179	2,077	716	3,223	2,336	Staff time
Legal, professional & accountancy	95	69	792	273	1,229	891	Staff time
Postage, stationery & advertising	50	36	415	144	644	467	Staff time
Communications - telephone	37	26	305	105	473	343	Staff time
Sundry expenses - miscellaneous	46	32	374	128	580	420	Staff time
	<u>1,163</u>	<u>841</u>	<u>11,009</u>	<u>4,743</u>	<u>17,756</u>	<u>27,865</u>	
	<u>2,856</u>	<u>2,051</u>	<u>25,042</u>	<u>9,582</u>	<u>39,531</u>	<u>47,367</u>	

### 6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2024	2023
	£	£
This is stated after charging:		
(Profit) / Loss on disposal of fixed assets	4,097	429
Depreciation	80,364	71,515
Auditors' remuneration – audit services	14,000	13,350
Auditors' remuneration – non-audit services	<u>7,775</u>	<u>5,932</u>

The Trustees received no remuneration during either year. One Trustee was reimbursed for expenditure incurred on behalf of the charity for £35 (2023: £233). Donations of £20 were made by the Trustees to the Charity during the year (2023: £200). The Charity purchased indemnity insurance for its Trustees for £nil (2023: £1,904).

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

#### 7. STAFF COSTS

	2024 £	2023 £
Wages and salaries	1,571,520	1,322,169
Social security costs	105,631	79,990
Pensions	23,043	22,319
	<u>1,700,794</u>	<u>1,424,478</u>

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

Day care/domiciliary care	93	92
Administration & support (including CEO)	5	5
	<u>98</u>	<u>97</u>

No employees were paid over £60,000 during either year.

#### Key management remuneration

Key management personnel are deemed to be those having authority and responsibility delegated to them by the Trustees for planning, directing and controlling the activities of the charity. Aggregate key management remuneration was as follows:

	2024 £	2023 £
Salaries	132,367	129,000
Social security costs	14,501	14,957
Pensions	3,385	3,075
	<u>150,253</u>	<u>147,032</u>

#### 8. CORPORATION TAX

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2024**

**9. FIXED ASSETS**

	<b>Leasehold Property</b>	<b>Leasehold Improvements</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>							
At 1 April 2023	90,000	522,516	115,861	70,316	38,034	135,627	972,354
Additions	-	207,865	2,289	35,863	1,266	8,351	255,634
Disposals	-	(3,500)	-	(32,677)	-	-	(36,177)
At 31 March 2024	90,000	726,881	118,150	73,502	39,300	143,978	1,191,811
<b>Depreciation</b>							
At 1 April 2023	78,000	343,688	89,366	44,477	31,236	92,039	678,806
Charge	3,000	45,205	7,005	11,297	1,937	11,920	80,364
On disposals	-	(2,221)	-	(29,859)	-	-	(32,081)
At 31 March 2024	81,000	386,672	96,371	25,914	33,173	103,959	727,090
<b>Net Book Value</b>							
At 31 March 2024	9,000	340,209	21,779	47,588	6,127	40,019	464,722
<b>Net Book Value</b>							
At 31 March 2023	12,000	178,828	26,495	25,839	6,798	43,588	293,549

All assets are used in the furtherance of the charitable activities.

**10. INVESTMENTS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Market Value</b>		
M&G Equities Investment Fund for Charities (Charifund)	104,094	-
<b>Historical Cost</b>	100,000	-
	<b>£</b>	
<b>Value as at 20 September 2023 (purchase date)</b>	100,000	
Change in market value	4,094	
<b>Value as at 31 March 2024</b>	<u>104,094</u>	

**ORWELL MENCAP****NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 March 2024****11. STOCK**

	<b>2024</b>	<b>2023</b>
	£	£
Finished goods	11,038	7,493
Raw materials and work in progress	22,527	31,631
	<u>33,565</u>	<u>39,124</u>

**12. DEBTORS**

	<b>2024</b>	<b>2023 as</b>
	£	restated
		£
Trade debtors	238,955	77,317
Prepayments and accrued income	22,002	152,258
	<u>260,957</u>	<u>229,575</u>

**13. CREDITORS: amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	£	£
Trade creditors	37,720	26,724
Tax & Social Security	67,345	60,595
Other creditors	10,281	6,571
Accruals and deferred income	69,174	90,264
	<u>184,520</u>	<u>184,154</u>

**Deferred income**

Deferred income at 1 April	20,051	-
Released to Statement of Financial Activities	(20,051)	-
Deferred in the year	5,440	20,051
	<u>5,440</u>	<u>20,051</u>
Deferred income at 31 March	5,440	20,051

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2024**

**14. UNRESTRICTED FUNDS**

**For the year ended 31 March 2024**

	<b>Balance at 1 April 2023</b>	<b>Movement in the year (net)</b>	<b>Transfers between funds</b>	<b>Balance at 31 March 2024</b>
	£	£	£	£
General	264,311	(45,137)	154,081	373,254
Designated				
- Contingency fund	293,000	(193,000)	-	100,000
- Property fund	20,000	(5,823)	(14,178)	-
- Equipment fund	150,000	-	(150,000)	-
	<u>727,311</u>	<u>(243,960)</u>	<u>(10,097)</u>	<u>473,254</u>

The Contingency fund was put in place to cover activity in the event of loss of funding to ensure continuity of service delivery whilst alternative funding is sought.

The Property fund was initially set up for the purpose of securing new premises in the event that the current lease was not renewed. However a lease extension was confirmed and therefore renewal fees were charged against this fund. The remainder of the fund has been transferred into general unrestricted funds.

The Equipment fund was established to allow for replacement projects and improvements to the Charity's facilities and vehicles. During the year this was transferred into general unrestricted funds to cover the general running costs of the charity.

**For the year ended 31 March 2023**

	<b>Balance at 1 April 2022</b>	<b>Movement in the year (net)</b>	<b>Transfers between funds</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£
General	325,117	(138,493)	77,687	264,311
Designated				
- Contingency fund	443,000	-	(150,000)	293,000
- Property fund	100,000	(3,062)	(76,938)	20,000
- Equipment fund	-	-	150,000	150,000
	<u>868,117</u>	<u>(141,555)</u>	<u>749</u>	<u>727,311</u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

#### 15. RESTRICTED FUNDS

For the year ended 31 March 2024

	Balance at 1 April 2023 as restated £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2024 £
Lottery grant - Wright Road	25,938	(6,483)	-	19,455
Lottery - sensory garden & room	19,286	(3,637)	-	15,649
St Lawrence Parish Hall air conditioning	161	(42)	-	119
SCC – briquette machine	197	(49)	-	148
Lottery – People’s Millions Green Bike	264	(66)	-	198
SCC – van	439	(110)	-	329
Tesco Charity Award – shower tray	16	(4)	-	12
Ipswich Rotary Club kitchen refit	38	(9)	-	29
- BT - sensory room equipment	11	(3)	-	8
Garden sponsorship event	294	1,025	-	1,319
Suffolk Building Society	2,980	(1,273)	-	1,707
Sports equipment	981	(647)	-	334
Hoist for care room	3,038	(759)	-	2,279
Shower bed for care room	1,351	(608)	-	743
SAICP	12	(12)	-	-
Digitalising care	4,892	(1,264)	-	3,628
Commemorative tree	18	-	-	18
Waitrose – Green Bike Project	380	(104)	-	276
Will Charitable Trust	17,829	(2,004)	-	15,825
Cost of living assistance	4,166	(908)	-	3,258
Garden tutor	11,375	(10,187)	-	1,188
New bath	2,000	3,920	-	5,920
Projector	3,000	-	-	3,000
Activities room	1,866	(11,963)	10,097	-
Speech & Language Therapist	15,704	(5,214)	-	10,490
Tennis Coaching	973	(973)	-	-
Bike swap	1,000	(1,000)	-	-
Sensory equipment	1,000	(699)	-	301
Plinth bed	1,000	-	-	1,000
Pennington’s / Ipswich Rugby Club	2,000	(2,000)	-	-
Green Bike Project – new building	80,403	97,021	-	177,424
Hoist – The Hive	-	5,020	-	5,020
Range oven	-	516	-	516
Electric Cooker	-	548	-	548
5 additional tablets for SW’s	-	455	-	455
Micro PC’s for SCO’s	-	2,643	-	2,643
Bruce Wake Trust	-	658	-	658
Garden tutor 2024/2025	-	14,397	-	14,397
Suffolk Community Foundation	-	5,100	-	5,100
	202,611	81,285	10,097	293,994

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2024**

**15. RESTRICTED FUNDS (continued)**

**For the year ended 31 March 2023**

	Balance at 1 April 2022	Movement in the year (net) as restated	Transfers between funds	Balance at 31 March 2023 as restated
	£	£	£	£
Lottery grant - Wright Road	32,421	(6,483)	-	25,938
Lottery - sensory garden & room	22,921	(3,635)	-	19,286
St Lawrence Parish Hall air conditioning	216	(55)	-	161
SCC – briquette machine	263	(66)	-	197
SCC – briquette machine (unspent)	1,484	(1,484)	-	-
Lottery – People’s Millions				
- Green Bike Project	352	(88)	-	264
SCC – van	586	(147)	-	439
Tesco Charity Award				
Mencap – shower tray	21	(5)	-	16
Ipswich Rotary Club				
Various – kitchen refit	51	(13)	-	38
BT - sensory room equipment	14	(4)	-	11
Batik arts	6	(6)	-	-
Garden sponsorship event	294	-	-	294
Seckford Golf Club - Diner	117	(117)	-	-
Suffolk Building Society	1,270	1,710	-	2,980
SBS - Green Bike Project	7	(7)	-	-
Sports equipment	1,781	(800)	-	981
Hoist for care room	4,050	(1,012)	-	3,038
Shower bed for care room	1,682	(331)	-	1,351
Yoga	438	(438)	-	-
SAICP	200	(188)	-	12
Digitalising care	5,000	(108)	-	4,892
Commemorative tree	18	-	-	18
Do Good	110	(110)	-	-
Suffolk New College - diner	-	749	(749)	-
Waitrose – Green Bike Project	-	380	-	380
Will Charitable Trust	-	17,829	-	17,829
Cost of living assistance	-	4,166	-	4,166
Garden tutor	-	11,375	-	11,375
New bath	-	2,000	-	2,000
Projector	-	3,000	-	3,000
Activities room	-	1,866	-	1,866
Speech & Language Therapist	-	15,704	-	15,704
Tennis Coaching	-	973	-	973
Bike swap	-	1,000	-	1,000
Sensory equipment	-	1,000	-	1,000
Plinth bed	-	1,000	-	1,000
Pennington’s / Ipswich Rugby Club	-	2,000	-	2,000
Green Bike Project – new building	17,000	63,403	-	80,403
	<u>90,302</u>	<u>113,058</u>	<u>(749)</u>	<u>202,611</u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

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#### 15. RESTRICTED FUNDS (continued)

Lottery funding was obtained during the years ended 31 March 1998 and 1999 and then again in 2001. The initial funding was obtained to purchase the leasehold of and to develop Wright Road, from where the Charity now operates.

Funding obtained during the year ended 31 March 2001 was for the establishment of a sensory garden and sensory room.

During the period ended 30 September 2006 and the period ended 31 March 2008 funding was obtained towards the cost of air conditioning.

During the year ended 31 March 2009 the Charity obtained funding for a briquette making machine.

During the year ended 31 March 2010 the Charity obtained funding from the People's Millions for fixed asset additions in relation to the Green Bike Project and from Suffolk County Council for a new van.

During the year ended 31 March 2011 the Charity obtained funding for a shower tray.

During the year ended 31 March 2012 the Charity obtained funding for a kitchen refit and sensory room equipment.

Kevin Robertson, a support worker, undertook a sponsored silence to raise funds to spend on a summerhouse and the garden at Wright Road.

The Suffolk Building Society donated funds towards new furniture for the Social Zone at Wright Road.

Royal Mencap and Sports England gave funds towards the purchase of sports equipment to be used by our customers.

The Suffolk Community foundation - Fonnereau Road Health Foundation Fund awarded a grant to be used for the purchase of a new overhead hoist in the new Personal Care Rooms.

The Suffolk Community Foundation - Suffolk Giving Fund and private funds gave funding to purchase a new shower bed for the new Personal Care Rooms.

SAICP was to fund Amazon Music to allow our customers access to music at the day centre.

During the current and prior year, various donors have contributed towards the cost of building new premises for the Green Bike Project.

Suffolk County Council awarded a grant to help increase the use of digital technology in providing care services.

A donation was given to fund the planting of a tree to commemorate the Queen's Platinum Jubilee.

Waitrose provided funds to purchase equipment needed for the refurbishment of donated bicycles.

The Will Charitable Trust provided funding to purchase a number of plinth beds and hoists to use for customer personal care.

Cost of living assistance was generously donated by AXA to use for customers and staff during the cost of living crisis.

Additional funding was received to employ a dedicated tutor working in the Charity's garden with customers.

Funds were also provided to purchase a suitable bath for customer personal care.

Funds were received to install a new projector and automated screen in the social zone.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

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#### 15. RESTRICTED FUNDS (continued)

Donations were received to completely refurbish a number of the Charity's activities rooms.

Funding was obtained to employ a Speech and Language Therapist (SALT) and Positive Behaviour Support Practitioner (PBS) to work with the Charity's customers.

Funds were received to provide tennis coaching to customers.

Bike Swap, to refurbish a number of bikes and allow them to be swapped for old or unstable bikes at two specific events.

Funding was received to purchase new sensory equipment for customers.

Further funding was secured towards the purchase of plinth beds and hoists to use for customer personal care.

Pennington's kindly provided funding to create a memorial area in the Charity's garden for a customer who sadly passed away.

#### **During the current year:**

Funding was received to purchase a new hoist for The Hive.

Funding was received to purchase a new range oven.

Funding was received to purchase a new electric cooker.

Funding was received to purchase 5 additional tablets for the skills workshops.

Funding was received to purchase micro-PC's for digitalising care.

Funding was received from the Bruce Wake Trust to assist the provision of leisure activities for the physically disabled.

Funding was received for the hire of a garden tutor for the period 2024 / 2025.

Funding was received from the Suffolk Community Foundation for the Green Bike Project.

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

For the year ended 31 March 2024

	Tangible assets	Invest- ments	Current assets as restated	Current liabilities	Total
	£		£	£	£
<b>Restricted funds</b>					
Wright Road	19,455	-	-	-	19,455
Sensory garden and room	15,649	-	-	-	15,649
St Lawrence Parish Hall - air con	119	-	-	-	119
SCC – briquette machine	148	-	-	-	148
Lottery People’s Millions - Green Bike	198	-	-	-	198
SCC – van	329	-	-	-	329
Various – shower tray	12	-	-	-	12
Various – kitchen refit	29	-	-	-	29
BT – sensory room equipment	8	-	-	-	8
Garden sponsorship event	-	-	1,319	-	1,319
Suffolk Building Society	1,707	-	-	-	1,707
Sports equipment	-	-	334	-	334
Hoist for care room	2,279	-	-	-	2,279
Shower bed for care room	743	-	-	-	743
Will Charitable Trust	15,825	-	-	-	15,825
Digitalising care	3,628	-	-	-	3,628
Green Bike Project building	167,742	-	9,682	-	177,424
Commemorative tree	-	-	18	-	18
Waitrose – Green Bike Project	276	-	-	-	276
Cost of living assistance	-	-	3,258	-	3,258
Garden tutor	-	-	1,188	-	1,188
New bath	-	-	5,920	-	5,920
Projector	-	-	3,000	-	3,000
Speech & Language Therapist	-	-	10,490	-	10,490
Tennis Coaching	-	-	-	-	-
Bike swap	-	-	-	-	-
Sensory equipment	-	-	301	-	301
Plinth bed	-	-	1,000	-	1,000
Pennington’s / Ipswich Rugby Club	-	-	-	-	-
Hoist – The Hive	5,020	-	-	-	5,020
Range oven	516	-	-	-	516
Electric cooker	548	-	-	-	548
5 additional tablets for SW’s	455	-	-	-	455
Micro PC’s for SCO’s	2,643	-	-	-	2,643
Bruce Wake Trust	-	-	658	-	658
Garden Tutor 2024/2025	-	-	14,397	-	14,397
Suffolk Community Foundation	-	-	5,100	-	5,100
	<u>237,330</u>	<u>-</u>	<u>56,665</u>	<u>-</u>	<u>293,994</u>
<b>Designated funds</b>					
Contingency fund	-	100,000	-	-	100,000
Property fund	-	-	-	-	-
Equipment fund	-	-	-	-	-
	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
<b>Unrestricted funds</b>	<u>227,392</u>	<u>4,094</u>	<u>326,287</u>	<u>184,520</u>	<u>373,254</u>
	<u><u>464,722</u></u>	<u><u>104,094</u></u>	<u><u>382,952</u></u>	<u><u>184,520</u></u>	<u><u>767,247</u></u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2024**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**For the year ended 31 March 2023**

	Tangible assets	Invest- ments	Current assets as restated	Current liabilities	Total as restated
	£	£	£	£	£
<b>Restricted funds</b>					
Wright Road	25,938	-	-	-	25,938
Sensory garden and room	19,286	-	-	-	19,286
St Lawrence Parish Hall Trust – air conditioning	161	-	-	-	161
SCC – briquette machine	197	-	-	-	197
Lottery – People’s Millions – Green Bike Project	264	-	-	-	264
SCC – van	439	-	-	-	439
Various – shower tray	16	-	-	-	16
Various – kitchen refit	38	-	-	-	38
BT – sensory room equipment	11	-	-	-	11
Garden sponsorship event	-	-	294	-	294
Suffolk Building Society	2,980	-	-	-	2,980
Sports equipment	-	-	981	-	981
Hoist for care room	3,038	-	-	-	3,038
Shower bed for care room	1,351	-	-	-	1,351
Will Charitable Trust	17,829	-	-	-	17,829
SAICP	-	-	12	-	12
Green Bike Project building	-	-	80,403	-	80,403
Digitalising care	4,892	-	-	-	4,892
Commemorative tree	-	-	18	-	18
Waitrose – Green Bike Project	380	-	-	-	380
Cost of living assistance	-	-	4,166	-	4,166
Garden tutor	-	-	11,375	-	11,375
New bath	-	-	2,000	-	2,000
Projector	-	-	3,000	-	3,000
Activities room	-	-	1,866	-	1,866
Speech & Language Therapist	-	-	15,704	-	15,704
Tennis Coaching	-	-	973	-	973
Bike swap	-	-	1,000	-	1,000
Sensory equipment	-	-	1,000	-	1,000
Plinth bed	-	-	1,000	-	1,000
Pennington’s / Ipswich Rugby Club	-	-	2,000	-	2,000
	76,820	-	125,792	-	202,611
<b>Designated funds</b>					
Contingency fund	-	-	293,000	-	293,000
Property fund	-	-	20,000	-	20,000
Equipment fund	-	-	150,000	-	150,000
	-	-	463,000	-	463,000
<b>Unrestricted funds</b>	216,729	-	231,735	184,154	264,311
	293,549	-	820,527	184,154	929,922

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

#### 17. CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	as restated £
<b>Net movement in funds</b>	(162,675)	(28,497)
<b>Adjustments for:</b>		
Depreciation charge	80,364	71,515
(Profit)/loss on disposal of fixed assets	4,097	(1,359)
Income from movement in investments	(4,094)	-
Interest income	(5,913)	(1,617)
	<u>(88,221)</u>	<u>40,042</u>
<b>Movements in working capital:</b>		
Decrease/ (increase) in stock	5,559	(13,468)
(Increase)/ decrease in debtors	(31,382)	(1,990)
Increase/ (decrease) in creditors	366	19,282
	<u>(113,678)</u>	<u>43,866</u>

#### 18. PENSIONS

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. The charge to the Statement of Financial Activities in respect of the defined contribution scheme was £23,043 (2023: £22,319).

#### 19. CONNECTED CHARITY

Orwell Mencap is affiliated to The Royal Society for Mentally Handicapped Children and Adults (MENCAP).

#### 20. RELATED PARTIES

Care was provided during the year for the relatives of two (2023: three) of the Trustees – J Stevens and J Knell. The total care invoiced to these Trustees, on the same basis as for other customers, was £31,982 (2023: £24,091). The amount owed to the charity at the year-end was £2,647 (2023: £2,133).

Care has also been provided to one of the Trustees, J Dickson, via Suffolk County Council. The total care provided during the year totalled £28,973 (2023: £25,530), the amount charged was on the same basis as for other customers. The amount owed to the charity at the year-end was £nil (2023: £2,030).

The Charity obtained HR support for £6,352 (2023: £2,220) from Blue Star Limited, a company of which B England (Trustee) is a shareholder. At the year-end £nil (2023: £nil) was owed to Blue Star. The transaction was conducted on an arms-length basis on the same terms as if the company was not a related party.

An immediate family member of N Leonard (previous Finance Manager) was employed by the charity during the prior year. The remuneration paid was on the same basis as for other employees. During Nick Leonard's time as Finance Manager in 2023 the total remuneration was £6,772.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2024

#### 21. OPERATING LEASE COMMITMENTS

At 31 March 2024, the Charity was committed to making the following payments under non-cancellable operating leases:

	2024 £	2023 £
Within one year	576	576
Between two and five years	720	1,440
	<u>1,296</u>	<u>2,016</u>

#### 22. CAPITAL COMMITMENTS

At the year end the Charity had no capital commitments (2023: £20,403 for a new building for the Green Bike Project).

#### 23. SHARE CAPITAL

The Charity is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such an amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are a member, or within one year after they cease to be a member, to cover the liabilities of the company.

#### 24. PRIOR YEAR ADJUSTMENT

	As previously reported £	Adjustment £	As restated 31 March 2023 £
<b>Changes to the Statement of Financial Activities</b>			
Donations and legacies	129,012	60,000	189,012
<b>Changes to the Balance Sheet</b>			
Restricted funds	142,611	60,000	202,611

**Notes to the reconciliation:**

The above adjustment relates to a restricted donation relating to the prior year but omitted from the Statement of Financial Activities.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2024**

**24. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)**

	Unrestricted £	Restricted as restated £	2023 Total as restated £
<b>Income from:</b>			
Donations and legacies	8,288	180,724	189,012
<i>Charitable activities:</i>			
Day care/domiciliary care and associated charges	1,448,547	-	1,448,547
Sales of goods made by beneficiaries	121,462	-	121,462
<i>Other trading activities</i>			
Fundraising	17	-	17
Investments	1,617	-	1,617
<b>Total income</b>	<u>1,579,931</u>	<u>180,724</u>	<u>1,760,655</u>
<b>Expenditure on:</b>			
<i>Raising funds:</i>			
Costs of generating donations and legacies	22,717	-	22,717
Costs of generating fundraising income	16,457	-	16,457
<i>Charitable Activities:</i>			
Day care/domiciliary care and associated charges	1,425,611	64,646	1,490,256
Goods made by beneficiaries	256,701	3,020	259,722
<b>Total expenditure</b>	<u>1,721,486</u>	<u>67,666</u>	<u>1,789,152</u>
<b>Net income/(expenditure)</b>	(141,555)	53,058	(28,497)
Fund transfers	749	(749)	-
<b>Net movement in funds</b>	(140,806)	52,309	(28,497)
Total funds brought forward	<u>868,117</u>	<u>90,302</u>	<u>958,419</u>
<b>Total funds carried forward</b>	<u><u>727,311</u></u>	<u><u>202,611</u></u>	<u><u>929,922</u></u>

**ORWELL MENCAP**

England & Wales - Charity number 1117888

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# Accounts

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**Charity Registration No. 1117888**

**Company Registration No. 05984331 (England and Wales)**

**ORWELL MENCAP**  
(a company limited by guarantee)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2023**

# ORWELL MENCAP

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## ORWELL MENCAP

### REFERENCE AND ADMINISTRATIVE DETAILS

Year ended 31 March 2023

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**Name:** Orwell Mencap (also operates under working names of Genesis, Green Bike Project, Stars and Buddies)

**Legal structure:** Orwell Mencap is a company limited by guarantee in the United Kingdom, company number 05984331, incorporated 31 October 2006 and registered as a charity on 8 February 2007, charity number 1117888.

**Trustees:** B England  
J Knell  
C Kynaston (resigned 23<sup>rd</sup> May 2022)  
M Scrogie  
K Parr (resigned 14<sup>th</sup> July 2022)  
J Stevens  
E Franks  
J Dickson

**Chief executive:** R Hart

**Principal address & registered office:** 6 Wright Road  
Ipswich  
IP3 9JG

**Auditors:** Ensors Accountants LLP  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

**Bankers:** Barclays Bank plc  
1 Princes Street  
Ipswich  
IP1 1PB

Ipswich Building Society  
PO Box 547  
Ipswich  
IP3 9WZ

**Solicitors:** Ashtons Legal  
Portman House  
120 Princes Street  
Ipswich  
IP1 1RS

## **ORWELL MENCAP**

### **TRUSTEES' REPORT**

**Year ended 31 March 2023**

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The Trustees present their report and accounts for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Orwell Mencap's governing document, the Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019).

The Charity also operates under the working names of Genesis, Green Bike Project, Buddies and Stars.

The Charity is affiliated to the Royal Mencap Society (Mencap) and bases its Memorandum and Articles of Association on the Royal Mencap Society's model constitution.

#### **STATUS AND GOVERNING INSTRUMENT**

Orwell Mencap is a company limited by guarantee, incorporated 31 October 2006. The company was registered as a charity on 8 February 2007, charity number 1117888, and is governed by its Memorandum and Articles of Association.

#### **TRUSTEES**

During this year we had seven members on the Board of Trustees including a service user, as detailed on page 1.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is administered by an Executive Committee of Trustees appointed at the Charity's Annual General Meeting or subsequently by co-option until the following AGM. The Trustees have met regularly throughout the year.

At its meetings the Executive Committee follows a standard agenda to set the strategic direction of the Charity. The day to day management of activities and staff is delegated to the Chief Executive, who regularly reports back at the meetings of the Executive Committee and via a monthly report.

#### **Appointment and recruitment of Trustees**

New trustees are identified through appropriate networks and are appointed at the annual general meeting by the members. Trustees with specific management skills or experience in the field of learning disability are also co-opted to fill vacancies on the Executive Committee. Orwell Mencap is committed to equality and diversity in the recruitment of trustees and aims to appoint suitably qualified trustees from as broad a spectrum of the community as is possible. To this end Orwell Mencap undertake periodic analysis of trustees' skills and experiences in order to identify areas that could be strengthened by either recruitment of new trustees or training.

Prospective Trustees are first invited to view our services, talk to our service users and learn something of the culture and ethos of our organisation. They are then invited to submit a CV, apply for membership of Orwell Mencap, and are put forward for appointment. Once appointed or co-opted trustees receive induction, training and further support where appropriate.

A third of the Trustee board were re-elected at the AGM along with election of the Chair, Vice-chair and Treasurer.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2023**

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#### **Involving service users**

It is hoped that through training, mentoring and appropriate support that people with learning disabilities will play a meaningful and increasing role in the running of the Charity. During the year we continued to seek opinion and representation from the clients and their carers, ensuring implementation of changes as a result of findings. The continued involvement of a service user as a Trustee highlights our continued efforts to strive for representation from our clients and, to this end, the service user Trustee has been fully involved in customer related issues and discussions.

Three Trustees serving on the Executive Committee 2022 to 2023 were parents/carers of people with disabilities who, during that period, used Genesis services.

#### **Safeguarding vulnerable adults**

All of the Charity's trustees and staff go through a full DBS police check.

#### **AIMS AND OBJECTIVES**

During the year ended 31 March 2023 the objects of the Charity were:-

The relief of those people in need through disabilities and disadvantages by identifying, promoting their needs, and providing services and facilities for the public benefit.

#### **PUBLIC BENEFIT**

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees are confident that Orwell Mencap's objects, as detailed above, are in accordance with the regulations on public benefit.

#### **REVIEW OF ACTIVITIES & PRINCIPAL FUNDING SOURCES**

Orwell Mencap provides a wide range of care, support and training for people with learning and physical disabilities and the Charity's objectives are currently met through:

- Working with other organisations
- Provision of day services for recreation
- Evening social clubs
- Holiday clubs
- Domiciliary care and staffing supported living accommodation
- Social enterprises
- Working towards becoming a 'Total Communication' organisation

Our website ([www.orwellmencap.co.uk](http://www.orwellmencap.co.uk)) continues to be regularly updated to ensure it remains relevant and useful. We continue to increase our online profile reporting several times a week on all platforms. Having a member of staff responsible for social/digital media and marketing has resulted in a significant increase in awareness of and engagement with Orwell Mencap in the community, including increased enquiries from potential clients and staff.

#### **Working with other organisations**

Orwell Mencap believes very much in working in partnership with like-minded organisations as well as the National Mencap society and its affiliated groups. Much headway has been made with SLT liaising with other local providers.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2023**

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Regular contact is maintained by our senior management team with key staff from Suffolk County Council Adult Social Care regarding the provision of adult care services and funding.

We continue to liaise with other day service providers and homes to promote good continuity of support for our services users and to allow service users to access multiple services

We also worked with Activities Unlimited and The Bridge schools to develop our holiday clubs operating in Ipswich. We also run a Saturday Club from the Wright Road premises.

Genesis continues to reach out into the wider community wherever possible (and practical) on a range of initiatives and partnership working opportunities.

#### **Genesis day service provision**

The day centre has continued to expand as we have exited from Covid restrictions. Customer numbers have increased but are not at pre-Covid levels due to customer's requirements altering and staffing proving a stumbling block. Genesis has been investing in the facilities to ensure it is the premium location in the area and meets the growing needs of our users.

#### **Domiciliary service provision**

Genesis provides domiciliary services to people through tailored individual support for people with learning disabilities and their carers and families in the community.

This can be anything from just a few hours a week to provide support to access social activities at home or at other locations, during the day, evening or at weekends.

#### **Supported Living**

Genesis also provides around the clock support to three clients to live as independently as possible in a home of their own

#### **Evening Social Clubs**

The evening Social club has been open during this year and membership continues to grow.

#### **Holiday clubs and after school clubs**

Holiday clubs have also been running; we continue to work towards increasing attendance.

#### **Social enterprises**

##### **(i) Genesis garden furniture**

From its fully-equipped workshop Genesis produces hardwood garden furniture of the highest quality, providing work experience, life skills, and undoubted benefits to self-esteem and mental health to those with disabilities. The furniture has a high reputation and Genesis is a preferred supplier for many local authorities including Ipswich Borough Council's parks.

##### **(ii) Eco-fuel briquettes**

As a by-product of its furniture manufacture Genesis recycles its own sawdust as well as collected sawdust from local sawmills into compressed briquettes for resale.

##### **(iii) Green Bike Project**

The Green Bike Project takes unwanted bicycles and trains people with disabilities to repair, refurbish and recycle the machines for resale and community use. The GBP continues to grow, therefore, several grant applications to help finance the construction of a new purpose-built, bigger space for GBP commenced during the year with many successful outcomes. That work continues.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2023**

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#### **VOLUNTEERS AND STAFF**

The Charity welcomes volunteers to help support our activities at Genesis. We appreciate the involvement of both our regular volunteers as well as those that help on specific projects or events, giving freely of their time and energy to enrich the experiences of our service users. We have this year attracted several volunteers many of whom have made significant contributions in time to make improvements to the environment.

The Trustees would like to thank all of the charity's staff for their continued dedication to our customers during this period and to publicly recognise that it is their efforts which allowed the charity to continue to offer care throughout the year.

The Trustees would also like to thank all the many individuals and organisations who kindly contributed donations and grants to us.

#### **FINANCIAL RESULTS FOR THE YEAR**

The total incoming resources to 31 March 2023 are stated at £1,700,655 compared to £1,525,433 for the year to 31 March 2022.

Total resources expended amount to £1,789,152 up from £1,561,436 for 31 March 2022. This means the results have shown a deficit of £88,497 compared to a deficit of £36,003 for the previous year.

Genesis has found it a different world post covid. Customer attendance has reduced from the number of customers to the number of days customers now require support. This has required our day centre services to be reorganised to suit the needs of users.

Recruitment has become more challenging for the whole of the social care sector as pay has not kept up with retail and so it has become more attractive to work in other sectors. This has resulted in the number of applicants for a vacancy being reduced considerably which has an effect on the number of customers Genesis can support.

The current cost of living crisis has impacted our services not only through increased expenditure for utilities but also food cost increasing in our Diner provision. These have put added pressure on our pricing which cannot be fully forwarded onto customers.

To tackle these challenges the Senior leadership Team (SLT) developed a three year break even projection that was agreed by the Trustee board to return the charity to a surplus position. It is based over three years to give the SLT time to implement refurbishment works to the premises as well as make the service attractive for the new and existing staff to help with retention levels.

#### **POLICIES**

##### **Reserves**

The Trustees are committed to maintaining a sufficient level of reserves to ensure that all contractual and statutory liabilities can be satisfied and the business is viable in the long term. At the year end the Charity held funds amounting to £869,922, of which £142,611 were restricted.

The Trustees considered that our contingencies funding needed to be restructured to better suit the needs of the Charity. The designated 'Property fund' set at £100,000 is now not required as the lease extension is confirmed. It is suggested that an amount of £20,000 is retained in this fund to allow for the extension of a lease due in 2028. A new equipment fund has been set up with £150,000 to allow for replacement of identified projects and improvements to the facility. This is to cover replacement minibuses, upgrades and improvements. These have been allocated in the 3 year breakeven plan. The contingency fund to cover activity in the event of loss of funding has been reduced to a more realistic amount to cover activity for a period of 3 months. These reserves have been reduced by £150,000 to allow for the equipment fund. The Property fund saving will be added to the general fund to allow for deficits forecast over the three year period to breakeven point.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2023**

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#### **Investments**

Trustees have tasked SLT with ensuring the funds of Genesis are working as effectively as possible to provide returns on the levels of reserves the Charity possess.

#### **RISK MANAGEMENT**

During the year the trustees delegated the management of risks to the CEO. The principal risks identified during the year and the control procedures used to mitigate against those risks were:

- Contract risk from Suffolk County Council – monitor numbers of SCC customers and changes in SCC funding regime.
- Competition from other providers – increase marketing and maintain competitiveness.
- Recruitment issues – increased use of social media and financial incentives
- Analysing barriers to being able to increase customer numbers
- IT Infrastructure – consider DCSR implementation by March 2024
- Deficit – Implement a three year plan to return to surplus. This will comprise of identifying savings, increasing customer and staff numbers to meet demand, review all business units to ensure all remain competitive and contribute to the benefit of the Charity activities.

#### **STRATEGIC GOALS**

1. Focus on Care
2. Balance the Budget
3. Increase customer numbers
4. Improve facilities
5. Invest in staff
6. Invest in training

#### **THE FUTURE AND GOING CONCERN**

At present it is expected that the 2023/24 finances will show an agreed deficit of £160,000. The deficit is increasing due to the need to invest in the Charity's operations and services. A full audit review of Genesis' services and customers was conducted by SLT to identify which services were operating efficiently and cost effectively and which services needed restructuring. On completion of this review the SLT developed a fully costed and projected three year plan to return the charity to breakeven and even a surplus. This consists of expanding services which provide value for money and restructuring of services which fall short of the required level. This will take time and actions to implement so the deficit is not going to be eradicated in a 12 month period. Trustees approved the plan and have allocated enough unrestricted funds to meet the reducing deficit over the three year period. Once completed Genesis Orwell Mencap will be in a position to meet the requirements of their customer's needs with services that are suitable for the changing dynamic of disability services.

#### **PAY POLICY FOR SENIOR STAFF**

The directors consider the Executive Committee, who are the charity's trustees, and the senior leadership team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All the trustees give of their time freely and no trustees received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 6 and 19 to the accounts.

The pay of senior staff is set by the Trustees.

## ORWELL MENCAP

### TRUSTEES' REPORT (Continued)

Year ended 31 March 2023

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#### TANGIBLE FIXED ASSETS

Movements in fixed assets during the year are set out in note 9 to the accounts.

#### FUNDRAISING

The charity has made several applications for grants between 2022 and 2023 and customers have benefitted greatly from use of those funds as Genesis have improved the facilities and customer offering. The charity does not use third parties to raise funds on our behalf and we have not received any complaints regarding fundraising.

#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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 the incoming resources and application of resources, including the income and expenditure, for the 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; 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 proper 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.

#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Charity's auditors are aware of such information.

#### AUDITORS

A resolution proposing that Ensors be reappointed as auditors of the Charity will be put to the members.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Trustees

.....  
Jill Knell  
Chair

Date: .....  
30.10.2023

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP

For the year ended 31 March 2023

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#### Opinion

We have audited the financial statements of Orwell Mencap (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the 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. 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 our audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)

For the year ended 31 March 2023

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements are free from material misstatement due to fraud.

In planning and designing our audit procedures we assessed the risks of material misstatement due to fraud. Our assessment concluded that the areas of highest risk are non-compliance with laws and regulations and management override of controls.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in through discussions with management, and from our commercial knowledge and experience of the sector in which the charity operates. This enabled us to identify the key laws and regulations applicable to the charity. We focussed on specific laws and regulations which we considered may have a direct impact on the financial statements including safeguarding, the Companies Act 2006, taxation legislation, data protection and employment laws.

To address the risk of fraud we performed the following audit procedures:

- Thorough review of journal entries and other adjustments for appropriateness and evaluating the rationale of any transactions outside of the normal course of business.

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)

For the year ended 31 March 2023

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- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness and determine whether there is any bias in management's estimates.
- All team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance.
- Enquiring of management whether there have been any alleged, suspected or actual instances of fraud during the year.
- Enquiring of management and those charged with governance whether there have been any actual or potential litigation or claims.
- Reviewing correspondence with relevant legal authorities.
- Reviewing legal expense accounts for any indicators of litigation or claims.

There are, however, inherent limitations to our above audit procedures. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they are likely to involve deliberate concealment or collusion. It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

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

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Helen Rumsey FCA (Senior Statutory Auditor)

For and on behalf of Ensors Accountants LLP  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

Date: 11th December 2023

## ORWELL MENCAP

### STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	2022 Total £
<b>Income from:</b>					
Donations and legacies	3	8,288	120,724	129,012	213,429
<i>Charitable activities:</i>					
Day care/domiciliary care and associated charges		1,448,547	-	1,448,547	1,179,330
Sales of goods made by beneficiaries		121,462	-	121,462	131,807
<i>Other trading activities</i>					
Fundraising		17	-	17	282
Investments		1,617	-	1,617	585
<b>Total income</b>		<b>1,579,931</b>	<b>120,724</b>	<b>1,700,655</b>	<b>1,525,433</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Costs of generating donations and legacies	4	22,717	-	22,717	21,938
Costs of generating fundraising income	4	16,457	-	16,457	15,986
<i>Charitable Activities:</i>					
Day care/domiciliary care and associated charges	4	1,425,611	64,646	1,490,256	1,272,327
Goods made by beneficiaries	4	256,701	3,020	259,722	251,185
<b>Total expenditure</b>		<b>1,721,486</b>	<b>67,666</b>	<b>1,789,152</b>	<b>1,561,436</b>
<b>Net income/(expenditure)</b>	6	<b>(141,555)</b>	<b>53,058</b>	<b>(88,497)</b>	<b>(36,003)</b>
Fund transfers		749	(749)	-	-
<b>Net movement in funds</b>		<b>(140,806)</b>	<b>52,309</b>	<b>(88,497)</b>	<b>(36,003)</b>
Total funds brought forward		868,117	90,302	958,419	994,422
<b>Total funds carried forward</b>		<b>727,311</b>	<b>142,611</b>	<b>869,922</b>	<b>958,419</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 14 to 32 form part of these financial statements

# ORWELL MENCAP

## BALANCE SHEET

As at 31 March 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	9	<u>293,549</u>	<u>324,005</u>
<b>Current assets</b>			
Stock	10	39,124	25,656
Debtors	11	169,575	227,585
Cash at bank and in hand		<u>551,828</u>	<u>546,045</u>
		760,527	799,286
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	<u>184,154</u>	<u>164,872</u>
<b>NET CURRENT ASSETS</b>		<u>576,379</u>	<u>634,414</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>869,922</u>	<u>958,419</u>
<b>Funds</b>			
Unrestricted			
- general	13	264,311	325,117
- designated	13	<u>463,000</u>	<u>543,000</u>
		727,311	868,117
Restricted	14	<u>142,611</u>	<u>90,302</u>
<b>TOTAL FUNDS</b>		<u>869,922</u>	<u>958,419</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Executive Committee on 30.10.2023

and signed on its behalf by

  
.....  
J Knell

  
.....  
B England

Company registration no. 05984331

The notes on pages 14 to 32 form part of these financial statements.

**ORWELL MENCAP****STATEMENT OF CASH FLOWS****For the year ended 31 March 2023**

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	<b>Note</b>	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Cash flow from operating activities</b>	16	43,866	(21,489)
<b>Cash flow from investing activities</b>			
Interest income		1,617	585
Purchase of tangible fixed assets		(41,116)	(111,914)
Sale proceeds from disposal of tangible fixed assets		1,416	-
		<u>(38,083)</u>	<u>(111,329)</u>
<b>(Decrease) / increase in cash &amp; cash equivalents in the year</b>		<u>5,783</u>	<u>(132,818)</u>
<b>Cash &amp; cash equivalents at the beginning of the year</b>		<u>546,045</u>	<u>678,863</u>
<b>Total cash &amp; cash equivalents at the end of the year</b>		<u>551,828</u>	<u>546,045</u>

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

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### 1. ACCOUNTING POLICIES

#### Charity information

Orwell Mencap is a company limited by guarantee incorporated in England and Wales. The registered office is 6 Wright Road, Ipswich, IP3 9JG. The charity is a Public Benefit Entity as defined by FRS 102.

#### Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

These accounts are denominated in pound sterling and are rounded to the nearest pound.

#### Going concern basis

The accounts have been prepared on the going concern basis as the Trustees consider there to be sufficient funding to ensure the Charity meets its current liabilities as they fall due and there are no material uncertainties regarding the going concern status of the charity.

#### Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables are accounted for as the Charity earns the right to consideration by its performance.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising.
- 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS

For the year ended 31 March 2023

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### 1. ACCOUNTING POLICIES (continued)

- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. floor areas or estimated usage as set out in notes 4 and 5.

#### **Pension commitments**

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

#### **Employee benefits**

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

#### **Fixed assets**

Fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

#### **Depreciation**

Depreciation is calculated to write off the cost of the assets over the period of the expected useful life of each class of asset as follows:

Leasehold property	- straight line over the period of the lease
Leasehold improvements	- straight line over the period of the lease
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance
Plant & machinery	- 25% reducing balance

Assets in the course of construction are not depreciated.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of an asset and is recognised in net income/(expenditure) for the year.

#### **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). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

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#### 1. ACCOUNTING POLICIES (continued)

##### **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and includes cash in hand, deposits held with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

##### **Leasing**

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

##### **Taxation**

The charity is exempt from corporation tax on charitable activities.

##### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' 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.

##### ***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 receipts 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.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

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#### 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

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
<b>Donations and legacies</b>				
Donations	1,789	78,124	79,913	99,070
Suffolk County Council	6,499	42,600	49,099	114,359
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>8,288</b>	<b>120,724</b>	<b>129,012</b>	<b>213,429</b>

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

### 4. EXPENDITURE

	Voluntary income £	Fundraising £	Day Care / domiciliary and assoc charges £	Goods made by beneficiaries £	2023 total £	2022 total £	Basis of allocation
<b>Costs directly allocated to activities</b>							
Wages & salaries	-	-	1,116,502	106,382	1,222,885	1,045,273	Direct
Motor expenses	-	-	25,070	4,640	29,710	24,197	Direct
Venue hire	-	-	4,600	-	4,600	4,200	Direct
Timber/material etc	-	-	-	22,869	22,869	42,701	Direct
Depreciation	-	-	10,280	300	10,581	9,951	Direct
Loss on disposal	-	-	1,726	35	1,761	-	Direct
Sessions/costs	-	-	37,912	-	37,912	17,245	Direct
Subscriptions & training	-	-	4,448	20	4,468	5,082	Direct
Building & equip maintenance	-	-	6,976	3,663	10,640	5,667	Direct
Irrecoverable VAT	-	-	27,244	85	27,330	23,360	Direct
Miscellaneous costs	-	-	442	3,196	3,639	1,479	Direct
Canteen costs	-	-	13,860	-	13,860	3,803	Direct
Electricity	-	-	-	-	-	(280)	Direct
Professional fees	-	-	983	2,385	3,368	2,115	Direct
Bad debt	-	-	1,764	62	1,826	204	Direct
Governance costs	Note 5	1,517	1,083	12,568	4,334	19,502	14,118
<b>2023 total costs directly allocated</b>	<b>1,517</b>	<b>1,083</b>	<b>1,264,377</b>	<b>147,972</b>	<b>1,414,949</b>	<b>1,199,114</b>	
<b>Support costs allocated to activities</b>							
Premises costs	495	495	24,753	22,773	48,517	45,182	Floor area
General office & finance staff	14,112	10,080	116,924	40,319	181,434	193,634	Staff time
Training, advertising & subscriptions	362	259	3,000	1,034	4,655	2,719	Staff time
Health & Safety PPE	265	189	2,194	756	3,404	11,792	Staff time
Motor expenses & subsistence	10	7	82	28	127	137	Staff time
General costs - insurance	96	96	4,800	4,416	9,409	10,449	Floor area
Depreciation	592	592	29,587	27,220	57,990	48,107	Floor area
Loss on disposal	(14)	(14)	(679)	(625)	(1,331)	1,386	Floor area
Finance costs - bank charges	153	-	1,724	144	2,022	1,355	Turnover
Computing costs	1,635	1,168	13,544	4,670	21,017	8,546	Usage *
Legal, professional & consultancy	624	446	5,169	1,782	8,021	4,151	Usage *
Postage, stationery & advertising	327	234	2,713	936	4,210	3,066	Usage *
Communications - telephone	240	172	1,989	686	3,087	3,599	Usage *
Sundry expenses - miscellaneous	294	210	2,436	840	3,780	686	Usage *
Governance costs	Note 5	2,009	1,442	17,643	6,770	27,865	27,514
<b>2023 total support costs allocated</b>	<b>21,200</b>	<b>15,374</b>	<b>225,879</b>	<b>111,751</b>	<b>374,205</b>	<b>362,322</b>	
<b>Total resources expended</b>	<b>22,717</b>	<b>16,457</b>	<b>1,490,256</b>	<b>259,722</b>	<b>1,789,152</b>	<b>1,561,436</b>	
<i>2022 total costs directly allocated</i>	<i>1,098</i>	<i>784</i>	<i>1,052,854</i>	<i>144,377</i>	<i>1,199,114</i>		
<i>2022 total support costs allocated</i>	<i>20,839</i>	<i>15,202</i>	<i>219,473</i>	<i>106,808</i>	<i>362,322</i>		
<i>2022 total resources expended</i>	<i>21,938</i>	<i>15,986</i>	<i>1,272,327</i>	<i>251,185</i>	<i>1,561,436</i>		

\*usage based on staff time

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

### 5. GOVERNANCE COSTS

Governance costs are allocated between the four expenditure categories, as shown below:

	Voluntary income £	Fundraising £	Day Care / domiciliary and assoc charges £	Goods made by beneficiaries £	2023 total £	2022 total £	Basis of allocation
<b>Costs directly allocated to activities</b>							
Audit & accountancy	1,517	1,083	12,568	4,334	19,502	14,118	Direct
<b>Support costs allocated to activities</b>							
Premises costs	10	10	505	465	990	922	Floor
Wages & salaries	1,568	1,120	12,992	4,480	20,159	21,515	Usage
Training, advertising & subscriptions	40	29	333	115	517	302	Usage
Health & Safety PPE	29	21	244	84	378	1,310	Usage
Motor expenses & subsistence	1	1	9	3	14	15	Usage
General costs - insurance	2	2	98	90	192	213	Floor
Depreciation	12	12	604	556	1,183	982	Floor
(Profit)/loss on disposal	-	-	(14)	(13)	(27)	28	Floor
Computing costs	182	130	1,505	519	2,335	950	Usage
Legal, professional & consultancy	69	50	574	198	891	461	Usage
Postage, stationery & advertising	36	26	301	104	468	341	Usage
Communications - telephone	27	19	221	76	343	400	Usage
Sundry expenses - miscellaneous	33	23	271	93	420	75	Usage
	2,009	1,442	17,643	6,770	27,865	27,514	
<b>Total governance costs</b>	<b>3,526</b>	<b>2,525</b>	<b>30,211</b>	<b>11,104</b>	<b>47,367</b>	<b>41,632</b>	

### 6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2023 £	2022 £
This is stated after charging:		
(Profit) / Loss on disposal of fixed assets	429	1,414
Depreciation	71,515	59,039
Auditors' remuneration – audit services	13,350	9,100
Auditors' remuneration – non-audit services	5,932	5,158

The Trustees received no remuneration during either year. One Trustee was reimbursed for expenditure incurred on behalf of the charity for £233 (2022: £50). Donations totalling £200 were made by the Trustees to the Charity during the year (2022: £Nil). The Charity purchased indemnity insurance for its Trustees for £1,904 (2022: £2,166).

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

#### 7. STAFF COSTS

	2023 £	2022 £
Wages and salaries	1,322,169	1,171,359
Social security costs	79,990	69,206
Pensions	22,319	19,855
	<u>1,424,478</u>	<u>1,260,420</u>

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

Day care/domiciliary care	92	86
Administration & support (including CEO)	5	6
	<u>97</u>	<u>92</u>

No employees were paid over £60,000 during either year.

#### Key management remuneration

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees for planning, directing and controlling the activities of the charity. Aggregate key management remuneration was as follows:

	2023 £	2022 £
Salaries	129,000	127,564
Social security costs	14,957	13,942
Pensions	3,075	3,265
	<u>147,032</u>	<u>144,771</u>

#### 8. CORPORATION TAX

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

**9. FIXED ASSETS**

	Leasehold Property	Leasehold Improvements	Motor Vehicles	Computer Equipment	Fixtures & Fittings	Plant & Machinery	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 April 2022	90,000	499,783	134,961	61,482	38,034	126,078	950,338
Additions	-	22,733	-	8,834	-	9,549	41,116
Disposals	-	-	(19,100)	-	-	-	(19,100)
At 31 March 2023	90,000	522,516	115,861	70,316	38,034	135,627	972,354
<b>Depreciation</b>							
At 1 April 2022	75,000	304,165	99,576	38,360	28,970	80,261	626,335
Charge	3,000	39,523	8,832	6,117	2,266	11,778	71,515
On disposals	-	-	(19,042)	-	-	-	(19,042)
At 31 March 2023	78,000	343,688	89,366	44,477	31,236	92,039	678,806
<b>Net Book Value</b>							
At 31 March 2023	12,000	178,828	26,495	25,840	6,798	43,588	293,549
<b>Net Book Value</b>							
At 31 March 2022	15,000	195,617	35,385	23,122	9,064	45,817	324,005

All assets are used in the furtherance of the charitable activities.

**10. STOCK**

	2023 £	2022 £
Finished goods	7,493	7,671
Raw materials and work in progress	31,631	17,985
	39,124	25,656

**11. DEBTORS**

	2023 £	2022 £
Trade debtors	77,317	145,124
Prepayments and accrued income	92,258	82,461
	169,575	227,585

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

#### 12. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	26,724	20,911
Tax & Social Security	60,595	64,655
Other creditors	6,571	8,514
Accruals and deferred income	90,264	70,792
	<u>184,154</u>	<u>164,872</u>
<b>Deferred income</b>		
Deferred income at 1 April	-	-
Released to Statement of Financial Activities	-	-
Deferred in the year	20,051	-
Deferred income at 31 March	<u>20,051</u>	<u>-</u>

#### 13. UNRESTRICTED FUNDS

For the year ended 31 March 2023

	Balance at 1 April 2022 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2023 £
General	325,117	(138,493)	77,687	264,311
Designated				
- Contingency fund	443,000	-	(150,000)	293,000
- Property fund	100,000	(3,062)	(76,938)	20,000
- Equipment fund	-	-	150,000	150,000
	<u>868,117</u>	<u>(141,555)</u>	<u>749</u>	<u>727,311</u>

The Contingency fund is in place to cover activity in the event of loss of funding to ensure continuity of service delivery whilst alternative funding is sought. During the year the Trustees took the decision to reduce this reserve to a more realistic level, being 3 months' worth of costs.

The Property fund was initially set up for the purpose of securing new premises in the event that the current lease was not renewed. However, during the year, a lease extension has been confirmed. The Trustees have decided to keep £20,000 in this fund to allow for the extension of the lease, which is due in 2028.

During the year, the Equipment fund has been established to allow for replacement projects and improvements to the Charity's facilities and vehicles.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

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**13. UNRESTRICTED FUNDS (continued)**

**For the year ended 31 March 2022**

	<b>Balance at 1 April 2021</b>	<b>Movement in the year (net)</b>	<b>Transfers between funds</b>	<b>Balance at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General	462,376	(77,820)	(59,439)	325,117
Designated				
- Contingency fund	362,000	-	81,000	443,000
- Property fund	100,000	-	-	100,000
	<u>924,376</u>	<u>(77,820)</u>	<u>21,561</u>	<u>868,117</u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

**14. RESTRICTED FUNDS**

**For the year ended 31 March 2023**

	Balance at 1 April 2022 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2023 £
Lottery grant				
- Wright Road	32,421	(6,483)	-	25,938
- sensory garden and room	22,921	(3,635)	-	19,286
St Lawrence Parish Hall				
- air conditioning	216	(55)	-	161
SCC – briquette machine	263	(66)	-	197
SCC – briquette machine (unspent)	1,484	(1,484)	-	-
Lottery – People’s Millions				
- Green Bike Project	352	(88)	-	264
SCC – van	586	(147)	-	439
Tesco Charity Award				
Mencap – shower tray	21	(5)	-	16
Ipswich Rotary Club				
Various – kitchen refit	51	(13)	-	38
BT - sensory room equipment	14	(4)	-	11
Batik arts	6	(6)	-	-
Garden sponsorship event	294	-	-	294
Seckford Golf Club - Diner	117	(117)	-	-
Suffolk Building Society	1,270	1,710	-	2,980
SBS - Green Bike Project	7	(7)	-	-
Sports equipment	1,781	(800)	-	981
Hoist for care room	4,050	(1,012)	-	3,038
Shower bed for care room	1,682	(331)	-	1,351
Yoga	438	(438)	-	-
SAICP	200	(188)	-	12
Digitalising care	5,000	(108)	-	4,892
Commemorative tree	-18	-	-	18
Do Good	110	(110)	-	-
Suffolk New College - diner	-	749	(749)	-
Waitrose – Green Bike Project	-	380	-	380
Will Charitable Trust	-	17,829	-	17,829
Cost of living assistance	-	4,166	-	4,166
Garden tutor	-	11,375	-	11,375
New bath	-	2,000	-	2,000
Projector	-	3,000	-	3,000
Activities room	-	1,866	-	1,866
Speech & Language Therapist	-	15,704	-	15,704
Tennis Coaching	-	973	-	973
Bike swap	-	1,000	-	1,000
Sensory equipment	-	1,000	-	1,000
Plinth bed	-	1,000	-	1,000
Pennington’s / Ipswich Rugby Club	-	2,000	-	2,000
Green Bike Project – new building	17,000	3,403	-	20,403
	<u>90,302</u>	<u>53,058</u>	<u>(749)</u>	<u>142,611</u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

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#### 14 RESTRICTED FUNDS (continued)

Lottery funding was obtained during the years ended 31 March 1998 and 1999 and then again in 2001. The initial funding was obtained to purchase the leasehold of and to develop Wright Road, from where the Charity now operates.

Funding obtained during the year ended 31 March 2001 was for the establishment of a sensory garden and sensory room.

During the period ended 30 September 2006 and the period ended 31 March 2008 funding was obtained towards the cost of air conditioning.

During the year ended 31 March 2009 the Charity obtained funding for a briquette making machine.

During the year ended 31 March 2010 the Charity obtained funding from the People's Millions for fixed asset additions in relation to the Green Bike Project and from Suffolk County Council for a new van.

During the year ended 31 March 2011 the Charity obtained funding for a shower tray.

During the year ended 31 March 2012 the Charity obtained funding for a kitchen refit and sensory room equipment.

Donations were received to provide materials to be used by the Charity's beneficiaries in Batik arts activities.

Kevin Robertson, a support worker, undertook a sponsored silence to raise funds to spend on a summerhouse and the garden at Wright Road.

The ladies Seckford Golf Club donated funds to be spent on equipment for the diner.

The Suffolk Building Society donated funds towards new furniture for the Social Zone at Wright Road.

SBS donated money to be spent on the Green Bike Project.

Royal Mencap and Sports England gave funds towards the purchase of sports equipment to be used by our customers.

The Suffolk Community foundation - Fonnereau Road Health Foundation Fund awarded a grant to be used for the purchase of a new overhead hoist in the new Personal Care Rooms.

The Suffolk Community Foundation - Suffolk Giving Fund and private funds gave funding to purchase a new shower bed for the new Personal Care Rooms.

Ipswich Borough Council gave grant funding to buy new equipment needed to restart yoga sessions that had been ended due to the pandemic.

SAICP was to fund Amazon Music to allow our customers access to music at the day centre.

During the current and prior year, various donors have contributed towards the cost of building new premises for the Green Bike Project.

Suffolk County Council awarded a grant to help increase the use of digital technology in providing care services.

A donation was given to fund the planting of a tree to commemorate the Queen's Platinum Jubilee.

A team of volunteers from the Do Good organisation helped tidy the garden at Wright Road and a donation was made to be spent on making new planters.

Suffolk New College provided funding to be spent on the Charity's diner.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

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#### 14 RESTRICTED FUNDS (continued)

During the current year:

Waitrose provided funds to purchase equipment needed for the refurbishment of donated bicycles.

The Will Charitable Trust provided funding to purchase a number of plinth beds and hoists to use for customer personal care.

Cost of living assistance was generously donated by AXA to use for customers and staff during the cost of living crisis.

Additional funding was received to employ a dedicated tutor working in the Charity's garden with customers.

Funds were also provided to purchase a suitable bath for customer personal care.

Funds were received to install a new projector and automated screen in the social zone.

Donations were received to completely refurbish a number of the Charity's activities rooms.

Funding was obtained to employ a Speech and Language Therapist (SALT) and Positive Behaviour Support Practitioner (PBS) to work with the Charity's customers.

Funds were received to provide tennis coaching to customers.

Bike Swap, to refurbish a number of bikes and allow them to be swapped for old or unstable bikes at two specific events.

Funding was received to purchase new sensory equipment for customers.

Further funding was secured towards the purchase of plinth beds and hoists to use for customer personal care.

Pennington's kindly provided funding to create a memorial area in the Charity's garden for a customer who sadly passed away.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

**14 RESTRICTED FUNDS (continued)**

**For the year ended 31 March 2022**

	<b>Balance at 1 April 2021 £</b>	<b>Movement in the year (net) £</b>	<b>Transfers between funds £</b>	<b>Balance at 31 March 2022 £</b>
Lottery grant				
- Wright Road	38,903	(6,482)	-	32,421
- sensory garden and room	26,557	(3,636)	-	22,921
St Lawrence Parish Hall				
- air conditioning	289	(73)	-	216
SCC – briquette machine	352	(89)	-	263
SCC – briquette machine (unspent)	1,484	-	-	1,484
Lottery – People’s Millions				
- Green Bike Project	469	(117)	-	352
SCC – van	782	(196)	-	586
Tesco Charity Award				
Mencap – shower tray	43	(22)	-	21
Ipswich Rotary Club				
Various – kitchen refit	67	(16)	-	51
BT - sensory room equipment	19	(5)	-	14
Stars	-	8,432	(8,432)	-
Workshop	560	(560)	-	-
Batik arts	522	(516)	-	6
Infection control	-	6,303	(6,303)	-
Garden sponsorship event	-	294	-	294
Seckford Golf Club - Diner	-	117	-	117
Suffolk Building Society	-	1,270	-	1,270
Asda Foundation	-	175	(175)	-
SBS - Green Bike Project	-	288	(279)	7
Sports equipment	-	8,153	(6,372)	1,781
Hoist for care room	-	4,050	-	4,050
Shower bed for care room	-	1,682	-	1,682
Yoga	-	438	-	438
SAICP	-	200	-	200
Green Bike Project – new building	-	17,000	-	17,000
Digitalising care	-	5,000	-	5,000
Commemorative tree	-	18	-	18
Do Good	-	110	-	110
	<b>70,046</b>	<b>41,817</b>	<b>(21,561)</b>	<b>90,302</b>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**For the year ended 31 March 2023**

	Tangible assets £	Current assets £	Current liabilities £	Total £
<b>Restricted funds</b>				
Wright Road	25,938	-	-	25,938
Sensory garden and room	19,286	-	-	19,286
St Lawrence Parish Hall Trust – air conditioning	161	-	-	161
SCC – briquette machine	197	-	-	197
Lottery – People’s Millions – Green Bike Project	264	-	-	264
SCC – van	439	-	-	439
Various – shower tray	16	-	-	16
Various – kitchen refit	38	-	-	38
BT – sensory room equipment	11	-	-	11
Garden sponsorship event	-	294	-	294
Suffolk Building Society	2,980	-	-	2,980
Sports equipment	-	981	-	981
Hoist for care room	3,038	-	-	3,038
Shower bed for care room	1,351	-	-	1,351
Will Charitable Trust	17,829	-	-	17,829
SAICP	-	12	-	12
Green Bike Project building	-	20,403	-	20,403
Digitalising care	4,892	-	-	4,892
Commemorative tree	-	18	-	18
Waitrose – Green Bike Project	380	-	-	380
Cost of living assistance	-	4,166	-	4,166
Garden tutor	-	11,375	-	11,375
New bath	-	2,000	-	2,000
Projector	-	3,000	-	3,000
Activities room	-	1,866	-	1,866
Speech & Language Therapist	-	15,704	-	15,704
Tennis Coaching	-	973	-	973
Bike swap	-	1,000	-	1,000
Sensory equipment	-	1,000	-	1,000
Plinth bed	-	1,000	-	1,000
Pennington’s / Ipswich Rugby Club	-	2,000	-	2,000
	<u>76,820</u>	<u>65,792</u>	<u>-</u>	<u>142,611</u>
<b>Designated funds</b>				
Contingency fund	-	293,000	-	293,000
Property fund	-	20,000	-	20,000
Equipment fund	-	150,000	-	150,000
	<u>-</u>	<u>463,000</u>	<u>-</u>	<u>463,000</u>
<b>Unrestricted funds</b>	216,729	231,735	184,154	264,311
	<u>293,549</u>	<u>760,527</u>	<u>184,154</u>	<u>869,922</u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**For the year ended 31 March 2022**

	<b>Tangible assets £</b>	<b>Current assets £</b>	<b>Current liabilities £</b>	<b>Total £</b>
<b>Restricted funds</b>				
Wright Road	32,421	-	-	32,421
Sensory garden and room	18,160	4,761	-	22,921
St Lawrence Parish Hall Trust – air conditioning	216	-	-	216
SCC – briquette machine	263	-	-	263
SCC – briquette machine (unspent)	-	1,483	-	1,484
Lottery – People’s Millions – Green Bike Project	352	-	-	352
SCC – van	586	-	-	586
Various – shower tray	21	-	-	21
Various – kitchen refit	51	-	-	51
BT – sensory room equipment	14	-	-	14
Batik arts	-	6	-	6
Garden sponsorship event	-	294	-	294
Seckford Golf Club - Diner	-	117	-	117
Suffolk Building Society	-	1,270	-	1,270
SBS - Green Bike Project	-	7	-	7
Sports equipment	-	1,781	-	1,781
Hoist for care room	4,050	-	-	4,050
Shower bed for care room	1,322	360	-	1,682
Yoga	-	438	-	438
SAICP	-	200	-	200
Green Bike Project building	-	17,000	-	17,000
Digitalising care	-	5,000	-	5,000
Commemorative tree	-	18	-	18
Do Good	-	110	-	110
	<u>57,456</u>	<u>32,846</u>	<u>-</u>	<u>90,302</u>
<b>Designated funds</b>				
Contingency fund	-	443,000	-	443,000
Property fund	-	100,000	-	100,000
	<u>-</u>	<u>543,000</u>	<u>-</u>	<u>543,000</u>
<b>Unrestricted funds</b>	266,549	223,440	164,872	325,117
	<u>324,005</u>	<u>799,286</u>	<u>164,872</u>	<u>958,419</u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

#### 16. CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
<b>Net movement in funds</b>	(88,497)	(36,003)
<b>Adjustments for:</b>		
Depreciation charge	71,515	59,039
(Profit)/loss on disposal of fixed assets	(1,359)	1,414
Interest income	(1,617)	(585)
	<u>(19,958)</u>	<u>23,865</u>
<b>Movements in working capital:</b>		
Decrease/ (increase) in stock	(13,468)	(1,198)
(Increase)/ decrease in debtors	58,010	(63,633)
Increase/ (decrease) in creditors	19,282	19,477
	<u>43,866</u>	<u>(21,489)</u>

#### 17. PENSIONS

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. The charge to the Statement of Financial Activities in respect of the defined contribution scheme was £22,319 (2022: £19,855).

#### 18. CONNECTED CHARITY

Orwell Mencap is affiliated to The Royal Society for Mentally Handicapped Children and Adults (MENCAP).

#### 19. RELATED PARTIES

Care was provided during the year for the relatives of three of the Trustees – K Parr, J Stevens and J Knell. The total care invoiced to these Trustees, on the same basis as for other customers, was £24,091 (2022: £36,450). The amount owed to the charity at the year end was £1,704 (2022: £31 owed by the charity as one of the Trustees had made payments in advance).

Care has also been provided to one of the Trustees, J Dickson, via Suffolk County Council. The total care provided during the year totalled £25,530 (2022: £23,901), the amount charged was on the same basis as for other customers. The amount owed to the charity at the year end was £2,030 (2022: £1,924).

The Charity obtained HR support for £2,220 (2022: £nil) from Blue Star Limited, a company of which B England (Trustee) is a shareholder. At the year end £nil (2022: £nil) was owed to Blue Star. The transaction was conducted on an arms-length basis on the same terms as if the company was not a related party.

An immediate family member of N Leonard (previous Finance Manager) was employed by the charity during the current and prior year. The remuneration paid was on the same basis as for other employees. During Nick Leonard's time as Finance Manager the total remuneration was £6,772 (2022: £16,207), none of which was outstanding at either year end.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2023

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#### 20. OPERATING LEASE COMMITMENTS

At 31 March 2023, the Charity was committed to making the following payments under non-cancellable operating leases:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Within one year	576	576
Between two and five years	1,440	2,016
	<u>2,016</u>	<u>2,592</u>

#### 21. CAPITAL COMMITMENTS

At the year end the Charity had a capital commitment of £20,403 for a new building for the Green Bike Project.

#### 22. SHARE CAPITAL

The Charity is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such an amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are a member, or within one year after they cease to be a member, to cover the liabilities of the company.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2023**

**23. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)**

	Note	Unrestricted £	Restricted £	2022 Total £
<b>Income from:</b>				
Donations and legacies	3	60,261	153,168	213,429
<i>Charitable activities:</i>				
Day care/domiciliary care and associated charges		1,179,330	-	1,179,330
Sales of goods made by beneficiaries		131,807	-	131,807
<i>Other trading activities</i>				
Fundraising		282	-	282
Investments		585	-	585
<b>Total income</b>		<b>1,372,265</b>	<b>153,168</b>	<b>1,525,433</b>
<b>Expenditure on:</b>				
<i>Raising funds:</i>				
Costs of generating donations and legacies	4	20,245	1,693	21,938
Costs of generating fundraising income	4	14,740	1,246	15,986
<i>Charitable Activities:</i>				
Day care/domiciliary care and associated charges	4	1,176,720	95,607	1,272,327
Goods made by beneficiaries	4	238,380	12,805	251,185
<b>Total expenditure</b>		<b>1,450,085</b>	<b>111,351</b>	<b>1,561,436</b>
<b>Net income/(expenditure)</b>	6	<b>(77,820)</b>	<b>41,817</b>	<b>(36,003)</b>
Fund transfers		21,561	(21,561)	-
<b>Net movement in funds</b>		<b>(56,259)</b>	<b>20,256</b>	<b>(36,003)</b>
Total funds brought forward		924,376	70,046	994,422
<b>Total funds carried forward</b>		<b>868,117</b>	<b>90,302</b>	<b>958,419</b>

**ORWELL MENCAP**

England & Wales - Charity number 1117888

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# Accounts

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Charity Registration No. 1117888

Company Registration No. 05984331 (England and Wales)

**ORWELL MENCAP**  
(a company limited by guarantee)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2022**

**Ensors Accountants LLP**  
Chartered Accountants and Statutory Auditors  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

## ORWELL MENCAP

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## ORWELL MENCAP

### REFERENCE AND ADMINISTRATIVE DETAILS

Year ended 31 March 2022

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<b>Name:</b>	Orwell Mencap (also operates under working names of Genesis, Green Bike Project and STARS)
<b>Legal structure:</b>	Orwell Mencap is a company limited by guarantee in the United Kingdom, company number 05984331, incorporated 31 October 2006 and registered as a charity on 8 February 2007, charity number 1117888.
<b>Trustees:</b>	A Baker (resigned 4 <sup>th</sup> May 2021) B England (appointed 4 <sup>th</sup> May 2021) J Knell C Kynaston (appointed 4 <sup>th</sup> May 2021, resigned 23 <sup>rd</sup> May 2022) M Scrogie (appointed 29 <sup>th</sup> March 2022) K Parr (Chair) J Stevens D Thomas (resigned 29 <sup>th</sup> September 2021) E Franks (appointed 23 <sup>rd</sup> November 2021) J Dickson (appointed 27 <sup>th</sup> July 2021)
<b>Chief executive:</b>	R Hart
<b>Principal address &amp; registered office:</b>	6 Wright Road Ipswich IP3 9JG
<b>Auditors:</b>	Ensors Accountants LLP Chartered Accountants & Statutory Auditors Connexions 159 Princes Street Ipswich IP1 1QJ
<b>Bankers:</b>	Barclays Bank plc 1 Princes Street Ipswich IP1 1PB  Ipswich Building Society PO Box 547 Ipswich IP3 9WZ
<b>Solicitors:</b>	Ashtons Legal Waterfront House Wherry Quay Ipswich IP4 1AS

## **ORWELL MENCAP**

### **TRUSTEES' REPORT**

**Year ended 31 March 2022**

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The Trustees present their report and accounts for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Orwell Mencap's governing document, the Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019).

The Charity also operates under the working names of Genesis, Green Bike Project and STARS

The Charity is affiliated to the Royal Mencap Society (Mencap) and bases its Memorandum and Articles of Association on the Royal Mencap Society's model constitution.

#### **STATUS AND GOVERNING INSTRUMENT**

Orwell Mencap is a company limited by guarantee, incorporated 31 October 2006. The company was registered as a charity on 8 February 2007, charity number 1117888, and is governed by its Memorandum and Articles of Association.

#### **TRUSTEES**

During this year we had seven members on the Board of Trustees including a service user. Trustees who served during the year and subsequent to the year end are detailed on page 1.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is administered by an Executive Committee of Trustees appointed at the Charity's Annual General Meeting or subsequently by co-option until the following AGM. The Trustees have met regularly throughout the year.

At its meetings the Executive Committee follows a standard agenda to set the strategic direction of the Charity. The day-to-day management of activities and staff is delegated to the Chief Executive, who regularly reports back at the meetings of the Executive Committee.

#### **Appointment and recruitment of Trustees**

New trustees are identified through appropriate networks and are appointed at the annual general meeting by the members. Trustees with specific management skills or experience in the field of learning disability are also co-opted to fill vacancies on the Executive Committee. Orwell Mencap is committed to equality and diversity in the recruitment of trustees and aims to appoint suitably qualified trustees from as broad a spectrum of the community as is possible. To this end Orwell Mencap undertake periodic analysis of trustees' skills and experiences in order to identify areas that could be strengthened by either recruitment of new trustees or training.

Prospective Trustees are first invited to view our services, talk to our service users and learn something of the culture and ethos of our organisation. They are then invited to submit a CV, apply for membership of Orwell Mencap, and are put forward for appointment. Once appointed or co-opted trustees receive induction, training and further support where appropriate.

New trustees were identified, appointed at the AGM and joined the board during the year; this included the appointment of a service user.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2022**

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#### **Involving service users**

It is hoped that through training, mentoring and appropriate support that people with learning disabilities will play a meaningful and increasing role in the running of the Charity. During the year we not only continued to seek opinion and representation from the clients and their carers, but we developed much more effective means of capturing views and implementing changes as a result of findings. The appointment of a service user as trustee also highlights our continued efforts to strive for representation from our clients.

Three trustees serving on the Executive Committee 2021 to 2022 were parents/carers of people with disabilities which currently use Genesis services.

#### **Safeguarding vulnerable adults**

All of the Charity's trustees and staff go through a full DBS police check.

#### **AIMS AND OBJECTIVES**

During the year ended 31 March 2022 the objects of the Charity were:-

The relief of those people in need through disabilities and disadvantages by identifying, promoting their needs, and providing services and facilities for the public benefit.

#### **PUBLIC BENEFIT**

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees are confident that Orwell Mencap's objects, as detailed above, are in accordance with the regulations on public benefit.

#### **REVIEW OF ACTIVITIES**

Orwell Mencap provides a wide range of care, support and training for people with learning and physical disabilities and the Charity's objectives are currently met through:

- Working with other organisations,
- Provision of day services for recreation
- Evening social clubs,
- Holiday clubs
- Domiciliary care and staffing supported living accommodation
- Social enterprises.

During the year our website ([www.orwellmencap.co.uk](http://www.orwellmencap.co.uk)) was updated to be more relevant and easier to navigate. We have also significantly increased our online profile through the development of a new role within the organisation. The employment of a member of staff responsible for social/digital media and marketing has resulted in a significant increase in awareness of and engagement with Orwell Mencap in the community, including increased enquiries from potential clients and staff.

#### **Working with other organisations**

Orwell Mencap believes very much in working in partnership with like-minded organisations as well as the National Mencap society and its affiliated groups.

Regular contact is maintained by our senior management team with key staff from Suffolk County Council Adult Social Care regarding the provision of adult care services.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2022**

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We continue to liaise with other day service providers and homes to promote good continuity of support for our services users and to allow service users to access multiple services.

During the year we continued working with Ambient Housing, Saffron Housing and to allow 3 people with complex needs to live independently in their own home. This arrangement changed during the year; Ambient withdrew from the service.

We also worked with Activities Unlimited and both Thomas Wolsey and The Bridge schools to develop our holiday clubs operating in Ipswich.

Genesis continues to reach out into the wider community wherever possible and practical on a range of initiatives and partnership working opportunities.

#### **Genesis day service provision**

The day centre has been open during the year with some extra safety measures having remained in place due to continuing response to covid. Customer numbers on site have increased but masks continue to be worn and CO2 levels monitored.

#### **Domiciliary service provision**

Genesis provides domiciliary services to people through tailored individual support for people with learning disabilities and their carers and families in the community.

This can be anything from just a few hours a week to provide support to access social activities at home or at other locations, during the day, evening or at weekends.

#### **Supported Living**

Genesis also provides around the clock support to three clients to live as independently as possible in a home of their own.

#### **Evening Social Clubs**

The evening social club reopened during the year and membership continues to grow. Take up was slow due to clients' experience of covid but we continue to work on increasing customer numbers.

#### **Holiday clubs and after school clubs**

Holiday clubs also reopened but again numbers were lower than pre-covid numbers; again we continue to work towards increasing attendance.

#### **Social enterprises**

##### **(i) Genesis garden furniture**

From its fully equipped workshop Genesis produces hardwood garden furniture of the highest quality, providing work experience, life skills, and undoubted benefits to self-esteem and mental health to those with disabilities. The furniture has a high reputation and Genesis is a preferred supplier for many local authorities including Ipswich Borough Council's parks.

The workshop reopened to clients during last year and has returned to pre-covid numbers.

##### **(ii) Eco-fuel briquettes**

As a by-product of its furniture manufacture Genesis recycles its own sawdust as well as collected sawdust from local sawmills into compressed briquettes for resale.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2022**

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#### **(iii) Green Bike Project (GBP)**

The Green Bike Project takes unwanted bicycles and trains people with disabilities to repair, refurbish and recycle the machines for resale and community use. The GBP reopened to clients during last year and has returned to pre-covid numbers.

#### **VOLUNTEERS AND STAFF**

The Charity welcomes volunteers to help support our activities at Genesis. We appreciate the involvement of both our regular volunteers as well as those that help on specific projects or events, giving freely of their time and energy to enrich the experiences of our service users. We have this year attracted significant volunteers many of whom have made significant contributions in time to make improvements to the garden.

The trustees would like to thank all of the charity's staff for their continued dedication to our customers during this continued difficult period and to publicly recognise that it is their efforts which allowed the charity to continue to offer care throughout the year.

The trustees would also like to thank all the many individuals and organisations who kindly contributed donations and grants to us.

#### **FINANCIAL RESULTS FOR THE YEAR**

The total incoming resources to 31 March 2022 are stated at £1,525,433 compared to £1,471,277 for the year to 31 March 2021.

Total resources expended amount to £1,561,436 up from £1,338,705 for 31 March 2021. This means the results have shown a deficit of £36,003 compared to a surplus of £132,572 for the previous year.

2021 to 2022 was a challenging year as we emerged from covid. The Local Authority withdrew financial support as we struggled to return to pre covid customer numbers with restrictions still in place.

#### **POLICIES**

##### **Reserves**

The Trustees are committed to maintaining a sufficient level of reserves to ensure that all contractual and statutory liabilities can be satisfied and the business is viable in the long term. At the year end the Charity held funds amounting to £958,419, of which £90,302 were restricted and £543,000 were designated, see notes 13 and 14 for details.

The Trustees consider that unrestricted funds should be maintained at a level to enable the Charity to continue activity for at least 4 months in the event of the loss of funding and have designated a contingency fund to meet this aim.

##### **Investments**

The Charity has a policy of keeping funds in reasonably liquid condition which can be accessed quickly.

#### **RISK MANAGEMENT**

During the year the trustees delegated the management of risks to CEO. The principal risks identified during the year and the control procedures used to mitigate against those risks were:

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2022**

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- Covid – 19 - To work closely with Suffolk County Council and our Health & Safety Consultants, follow PHE guidance on PPE, enhanced heating, ventilation and cleaning procedures, and change the way we are supporting customers to create a COVID secure environment.
- Contract risk from Suffolk County Council – monitor numbers of SCC customers and changes in SCC funding regime. Keeping fees at lowest possible level to ensure our services are affordable to those paying privately.
- Competition from other providers – increase marketing and maintain competitiveness.
- Recruitment issues.

#### **STRATEGIC GOALS**

1. Focus on care
2. Improve facilities
3. Invest in staff
4. Invest in training
5. Balance the budget
6. CEO to maintain strategic overview

#### **THE FUTURE AND GOING CONCERN**

At present it is expected that the 2022/23 finances will show an agreed deficit of £110,000. The trustees are expecting to invest in marketing to attract new customers, expand the GBP and manage the deficit to have as minimal impact as possible. The Trustees believe that it is appropriate to prepare the financial statements on a going concern basis.

#### **PAY POLICY FOR SENIOR STAFF**

The directors consider the Executive Committee, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All the trustees give of their time freely and no trustees received remuneration in the year. Details of trustees expenses and related party transactions are disclosed in notes 6 and 19 to the accounts.

The pay of senior staff is set by the trustees.

#### **TANGIBLE FIXED ASSETS**

Movements in fixed assets during the year are set out in note 9 to the accounts.

#### **FUNDRAISING**

The charity has made several applications for grants between 2021 and 2022 and customers have benefitted greatly from use of those funds. The charity does not use third parties to raise funds on our behalf and we have not received any complaints regarding fundraising.

**ORWELL MENCAP**

**TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2022**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees 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 the incoming resources and application of resources, including the income and expenditure, for the 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; 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 proper 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.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Charity's auditors are aware of such information.

**AUDITORS**

A resolution proposing that Ensors be reappointed as auditors of the Charity will be put to the members.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Trustees

  
.....  
Kathleen Parr  
Chair

Date: ..... 17/09/2022

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP

For the year ended 31 March 2022

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#### Opinion

We have audited the financial statements of Orwell Mencap (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the 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. 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 our audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)

For the year ended 31 March 2022

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements are free from material misstatement due to fraud.

In planning and designing our audit procedures we assessed the risks of material misstatement due to fraud. Our assessment concluded that the areas of highest risk are non-compliance with laws and regulations and management override of controls.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in through discussions with management, and from our commercial knowledge and experience of the sector in which the charity operates. This enabled us to identify the key laws and regulations applicable to the charity. We focussed on specific laws and regulations which we considered may have a direct impact on the financial statements including safeguarding, the Companies Act 2006, taxation legislation, data protection and employment laws.

To address the risk of fraud we performed the following audit procedures:

- Thorough review of journal entries and other adjustments for appropriateness and evaluating the rationale of any transactions outside of the normal course of business.

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)

#### For the year ended 31 March 2022

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- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness and determine whether there is any bias in management's estimates.
- All team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance.
- Enquiring of management whether there have been any alleged, suspected or actual instances of fraud during the year.
- Enquiring of management and those charged with governance whether there have been any actual or potential litigation or claims.
- Reviewing correspondence with relevant legal authorities.
- Reviewing legal expense accounts for any indicators of litigation or claims.

There are, however, inherent limitations to our above audit procedures. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they are likely to involve deliberate concealment or collusion.

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

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Rumsey FCA (Senior Statutory Auditor)

For and on behalf of Ensors Accountants LLP  
Chartered Accountants & Statutory Auditor  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

Date: 6 October 2022 .....

## ORWELL MENCAP

### STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	2021 Total £
<b>Income from:</b>					
Donations and legacies	3	60,261	153,168	213,429	678,050
<i>Charitable activities:</i>					
Day care/domiciliary care and associated charges		1,179,330	-	1,179,330	707,963
Sales of goods made by beneficiaries		131,807	-	131,807	84,096
<i>Other trading activities</i>					
Fundraising		282	-	282	85
Investments		585	-	585	1,083
<b>Total income</b>		<b>1,372,265</b>	<b>153,168</b>	<b>1,525,433</b>	<b>1,471,277</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Costs of generating donations and legacies	4	20,245	1,693	21,938	18,526
Costs of generating fundraising income	4	14,740	1,246	15,986	13,465
<i>Charitable Activities:</i>					
Day care/domiciliary care and associated charges	4	1,176,720	95,607	1,272,327	1,108,508
Goods made by beneficiaries	4	238,380	12,805	251,185	198,206
<b>Total expenditure</b>		<b>1,450,085</b>	<b>111,351</b>	<b>1,561,436</b>	<b>1,338,705</b>
<b>Net income/(expenditure)</b>	6	<b>(77,820)</b>	<b>41,817</b>	<b>(36,003)</b>	<b>132,572</b>
Fund transfers		21,561	(21,561)	-	-
<b>Net movement in funds</b>		<b>(56,259)</b>	<b>20,256</b>	<b>(36,003)</b>	<b>132,572</b>
Total funds brought forward		924,376	70,046	994,422	861,850
<b>Total funds carried forward</b>		<b>868,117</b>	<b>90,302</b>	<b>958,419</b>	<b>994,422</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 14 to 30 form part of these financial statements

**ORWELL MENCAP**

**BALANCE SHEET**

**As at 31 March 2022**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Fixed assets</b>			
Tangible assets	9	<u>324,005</u>	<u>272,544</u>
<b>Current assets</b>			
Stock	10	25,656	24,458
Debtors	11	227,585	163,952
Cash at bank and in hand		<u>546,045</u>	<u>678,863</u>
		799,286	867,273
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	<u>164,872</u>	<u>145,395</u>
<b>NET CURRENT ASSETS</b>		<u>634,414</u>	<u>721,878</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>958,419</u>	<u>994,422</u>
<b>Funds</b>			
Unrestricted			
- general	13	325,117	462,376
- designated	13	<u>543,000</u>	<u>462,000</u>
		868,117	924,376
Restricted	14	<u>90,302</u>	<u>70,046</u>
<b>TOTAL FUNDS</b>		<u>958,419</u>	<u>994,422</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Executive Committee on 17/09/2022

and signed on its behalf by

.....  
K Parr

.....  
J Stevens

**Company registration no. 05984331**

The notes on pages 14 to 30 form part of these financial statements.

**ORWELL MENCAP****STATEMENT OF CASH FLOWS****For the year ended 31 March 2022**

	Note	2022 £	2021 £
<b>Cash flow from operating activities</b>	16	(21,489)	188,888
<b>Cash flow from investing activities</b>			
Interest income		585	1,083
Purchase of tangible fixed assets		(111,914)	(38,166)
Sale proceeds from disposal of tangible fixed assets		-	-
		<u>(111,329)</u>	<u>(37,083)</u>
<b>(Decrease) / increase in cash &amp; cash equivalents in the year</b>		<u>(132,818)</u>	<u>151,805</u>
<b>Cash &amp; cash equivalents at the beginning of the year</b>		<u>678,863</u>	<u>527,058</u>
<b>Total cash &amp; cash equivalents at the end of the year</b>		<u><u>546,045</u></u>	<u><u>678,863</u></u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

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#### 1. ACCOUNTING POLICIES

##### Charity information

Orwell Mencap is a company limited by guarantee incorporated in England and Wales. The registered office is 6 Wright Road, Ipswich, IP3 9JG. The charity is a Public Benefit Entity as defined by FRS 102.

##### Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

These accounts are denominated in pound sterling and are rounded to the nearest pound.

##### Going concern basis

The accounts have been prepared on the going concern basis as the Trustees consider there to be sufficient funding to ensure the Charity meets its current liabilities as they fall due and there are no material uncertainties regarding the going concern status of the charity.

##### Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

##### Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables are accounted for as the Charity earns the right to consideration by its performance.

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising.
- 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS

For the year ended 31 March 2022

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#### 1. ACCOUNTING POLICIES (continued)

- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. floor areas or estimated usage as set out in notes 4 and 5.

##### **Pension commitments**

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

##### **Employee benefits**

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

##### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

##### **Fixed assets**

Fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

##### **Depreciation**

Depreciation is calculated to write off the cost of the assets over the period of the expected useful life of each class of asset as follows:

Leasehold property	- straight line over the period of the lease
Leasehold improvements	- straight line over the period of the lease
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance
Plant & machinery	- 25% reducing balance

Assets in the course of construction are not depreciated.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of an asset and is recognised in net income/(expenditure) for the year.

##### **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). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

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#### 1. ACCOUNTING POLICIES (continued)

##### **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and includes cash in hand, deposits with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

##### **Leasing**

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

##### **Taxation**

The charity is exempt from corporation tax on charitable activities.

##### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' 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.

##### ***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 receipts 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.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

#### 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

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
<b>Donations and legacies</b>				
Donations	60,261	38,809	99,070	13,330
Suffolk County Council	-	114,359	114,359	545,547
Government job retention scheme	-	-	-	119,173
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>60,261</b>	<b>153,168</b>	<b>213,429</b>	<b>678,050</b>

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

### 4. EXPENDITURE

	Voluntary income £	Fundraising £	Day Care / domiciliary and assoc charges £	Goods made by beneficiaries £	2022 total £	2021 total £	Basis of allocation
<b>Costs directly allocated to activities</b>							
Wages & salaries	-	-	958,584	86,689	1,045,273	935,918	Direct
Motor expenses	-	-	20,626	3,571	24,197	16,086	Direct
Rent	-	-	4,200	-	4,200	2,335	Direct
Timber/material etc	-	-	-	42,701	42,701	26,497	Direct
Depreciation	-	-	6,659	3,292	9,951	10,418	Direct
Loss on disposal	-	-	-	-	-	-	Direct
Sessions/costs	-	-	16,628	616	17,245	3,652	Direct
Subscriptions & training	-	-	4,825	257	5,082	1,802	Direct
Building & equip maintenance	-	-	1,663	4,004	5,667	2,647	Direct
Irrecoverable VAT	-	-	23,360	-	23,360	26,632	Direct
Miscellaneous costs	-	-	1,169	310	1,479	2,365	Direct
Canteen costs	-	-	3,803	-	3,803	384	Direct
Electricity	-	-	-	(280.00)	(280.00)	-	Direct
Professional fees	-	-	2,115	-	2,115	565	Direct
Bad debt	-	-	124	80	204	1,924	Direct
Governance costs	Note 5 1,098	784	9,099	3,137	14,118	12,997	
<b>2022 total costs directly allocated</b>	<b>1,098</b>	<b>784</b>	<b>1,052,854</b>	<b>144,377</b>	<b>1,199,114</b>	<b>1,044,221</b>	

	Voluntary income £	Fundraising £	Day care / domiciliary and assoc charges £	Goods made by beneficiaries £	2022 total £	2021 total £	Basis of allocation
<b>Support costs allocated to activities</b>							
Premises costs	461	461	23,052	21,208	45,182	27,728	Floor area
General office & finance staff	15,060	10,757	124,786	43,030	193,634	159,083	Staff time
Training, advertising & subscriptions	211	151	1,752	604	2,719	1,989	Staff time
Health & Safety PPE	917	655	7,599	2,621	11,792	14,674	Staff time
Motor expenses & subsistence	11	8	88	30	137	96	Staff time
General costs - insurance	107	107	5,331	4,904	10,449	9,994	Floor area
Depreciation	491	491	24,544	22,581	48,107	39,244	Floor area
Loss on disposal	14	14	707	650	1,386	10	Floor area
Finance costs - bank charges	14	14	1,246	81	1,355	1,209	Turnover
Computing costs	665	475	5,507	1,899	8,546	8,276	Usage *
Legal, professional & consultancy	323	231	2,675	922	4,151	4,788	Usage *
Postage, stationery & advertising	238	170	1,976	681	3,066	2,103	Usage *
Communications - telephone	280	200	2,320	800	3,599	1,844	Usage *
Sundry expenses - miscellaneous	53	38	445	151	686	402	Usage *
Governance costs	Note 5 1,995	1,431	17,444	6,645	27,514	23,044	
<b>2022 total support costs allocated</b>	<b>20,839</b>	<b>15,202</b>	<b>219,473</b>	<b>106,808</b>	<b>362,322</b>	<b>294,484</b>	
<b>Total resources expended</b>	<b>21,938</b>	<b>15,986</b>	<b>1,272,327</b>	<b>251,185</b>	<b>1,561,436</b>	<b>1,338,705</b>	
<i>2021 total costs directly allocated</i>	<i>1,011</i>	<i>722</i>	<i>928,942</i>	<i>113,546</i>	<i>1,044,221</i>		
<i>2021 total support costs allocated</i>	<i>17,515</i>	<i>12,743</i>	<i>179,567</i>	<i>84,659</i>	<i>294,484</i>		
<i>2021 total resources expended</i>	<i>18,526</i>	<i>13,465</i>	<i>1,108,508</i>	<i>198,206</i>	<i>1,338,705</i>		

\*usage based on staff time

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

#### 5. GOVERNANCE COSTS

Governance costs are allocated between the four expenditure categories, as shown below:

	Voluntary income £	Fundraising £	Day Care / domiciliary and assoc charges £	Goods made by beneficiaries £	2022 total £	2021 total £	Basis of allocation
<b>Costs directly allocated to activities</b>							
Audit & accountancy	1,098	784	9,099	3,137	14,118	12,997	Direct
<b>Support costs allocated to activities</b>							
Premises costs	9	9	470	433	922	566	Floor
Wages & salaries	1,673	1,195	13,865	4,781	21,515	17,676	Usage
Training, advertising & subscriptions	23	17	195	67	302	221	Usage
Health & Safety PPE	102	73	844	291	1,310	1,630	Usage
Motor expenses & subsistence	1	1	10	3	15	11	Usage
General costs - insurance	2	2	109	100	213	204	Floor
Depreciation	10	10	501	461	982	801	Floor
Loss on disposal	-	-	14	13	28	-	Floor
Computing costs	74	53	612	211	950	920	Usage
Legal, professional & consultancy	36	26	297	102	461	532	Usage
Postage, stationery & advertising	26	19	220	76	341	234	Usage
Communications - telephone	31	22	258	89	400	205	Usage
Sundry expenses - miscellaneous	6	4	49	17	75	45	Usage
	1,995	1,431	17,444	6,645	27,514	23,044	
<b>Total governance costs</b>	<b>3,093</b>	<b>2,215</b>	<b>26,542</b>	<b>9,782</b>	<b>41,632</b>	<b>36,041</b>	

#### 6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
(Profit) / Loss on disposal of fixed assets	1,414	10
Depreciation	59,039	50,463
Auditors' remuneration – audit services	9,100	8,600
Auditors' remuneration – non-audit services	5,158	4,397

The Trustees received no remuneration during either year. One Trustee was reimbursed for expenditure incurred on behalf of the charity for £50 (2021: £102). No donations were made by the Trustees to the Charity during the year (2021: £Nil). The Charity purchased indemnity insurance for its Trustees at a cost of £2,166 (2021: £312).

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

#### 7. STAFF COSTS

	2022 £	2021 £
Wages and salaries	1,171,359	1,042,198
Social security costs	69,206	53,974
Pensions	19,855	16,505
	<u>1,260,420</u>	<u>1,112,677</u>

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

Day care/domiciliary care	86	86
Administration & support (including CEO)	6	6
	<u>92</u>	<u>92</u>

No employees were paid over £60,000 during either year.

#### Key management remuneration

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees for planning, directing and controlling the activities of the charity. Aggregate key management remuneration was as follows:

	2022 £	2021 £
Salaries	127,564	108,987
Social security	13,942	11,404
Pensions	3,265	2,964
	<u>144,771</u>	<u>123,355</u>

#### 8. CORPORATION TAX

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2022**

**9. FIXED ASSETS**

	<b>Leasehold Property</b>	<b>Leasehold Improvements</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Plant &amp; Machinery</b>	<b>Total</b>
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 April 2021	90,000	456,750	114,767	61,783	37,050	94,995	855,345
Additions	-	43,033	20,194	16,302	984	31,402	111,914
Disposals	-	-	-	(16,603)	-	(319)	(16,922)
At 31 March 2022	90,000	499,783	134,961	61,482	38,034	126,078	950,338
<b>Depreciation</b>							
At 1 April 2021	72,000	272,617	92,265	48,539	26,129	71,251	582,801
Charge	3,000	31,548	7,311	5,022	2,841	9,317	59,039
On disposals	-	-	-	(15,201)	-	(307)	(15,508)
At 31 March 2022	75,000	304,165	99,576	38,360	28,970	80,261	626,335
<b>Net Book Value</b>							
At 31 March 2022	15,000	195,617	35,385	23,122	9,064	45,817	324,005
<b>Net Book Value</b>							
At 31 March 2021	18,000	184,133	22,502	13,244	10,921	23,744	272,544

All assets are used in the furtherance of the charitable activities.

**10. STOCK**

	<b>2022</b>	<b>2021</b>
	£	£
Finished goods	7,671	10,195
Raw materials and work in progress	17,985	14,263
	<u>25,656</u>	<u>24,458</u>

**11. DEBTORS**

	<b>2022</b>	<b>2021</b>
	£	£
Trade debtors	145,124	84,937
Prepayments and accrued income	82,461	79,015
	<u>227,585</u>	<u>163,952</u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2022**

**12. CREDITORS: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	20,911	13,552
Tax & Social Security	64,655	54,195
Other creditors	8,514	4,554
Accruals	70,792	73,094
	<u>164,872</u>	<u>145,395</u>

**13. UNRESTRICTED FUNDS**

**For the year ended 31 March 2022**

	<b>Balance at 1 April 2021</b>	<b>Movement in the year (net)</b>	<b>Transfers between funds</b>	<b>Balance at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General	462,376	(77,820)	(59,439)	325,117
Designated				
- Contingency fund	362,000	-	81,000	443,000
- Property fund	100,000	-	-	100,000
	<u>924,376</u>	<u>(77,820)</u>	<u>21,561</u>	<u>868,117</u>

The Contingency designated fund was set up at 31 March 2012 as the Trustees thought it prudent to maintain a contingency fund equal to 4 months' worth of salary costs to ensure continuity of service delivery in the event of a loss of funding whilst alternative funding is sought.

The property fund was initially set up in 2016 to cover the anticipated improvement works on the Wright Road site. During 2018 the fund was increased and its purpose changed to be used to secure new premises once the current lease ends. During 2020 it was agreed to reduce the property fund to £100,000 and to spend the remaining funds on developing the existing premises.

**For the year ended 31 March 2021**

	<b>Balance at 1 April 2020</b>	<b>Movement in the year (net)</b>	<b>Transfers between funds</b>	<b>Balance at 31 March 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General	272,162	113,722	76,492	462,376
Designated				
- Contingency fund	407,000	-	(45,000)	362,000
- Property fund	100,000	-	-	100,000
	<u>779,162</u>	<u>113,722</u>	<u>31,492</u>	<u>924,376</u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2022**

**14. RESTRICTED FUNDS**

**For the year ended 31 March 2022**

	Balance at 1 April 2021 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2022 £
Lottery grant				
- Wright Road	38,903	(6,482)	-	32,421
- sensory garden and room St Lawrence Parish Hall	26,557	(3,636)	-	22,921
- air conditioning	289	(73)	-	216
SCC – briquette machine	1,836	(89)	-	1,747
Lottery – People’s Millions				
- Green Bike Project	469	(117)	-	352
SCC – van	782	(196)	-	586
Tesco Charity Award				
Mencap – shower tray	43	(22)	-	21
Ipswich Rotary Club				
Various – kitchen refit	67	(16)	-	51
BT - sensory room equipment	19	(5)	-	14
Stars	-	8,432	(8,432)	-
Workshop	560	(560)	-	-
Batik arts	522	(516)	-	6
Infection control	-	6,303	(6,303)	-
Garden sponsorship event	-	294	-	294
Seckford Golf Club - Diner	-	117	-	117
Suffolk Building Society	-	1,270	-	1,270
Asda Foundation	-	175	(175)	-
SBS - Green Bike Project	-	2,286	(279)	2,007
Sports equipment	-	8,153	(6,372)	1,781
Hoist for care room	-	4,050	-	4,050
Shower bed for care room	-	1,682	-	1,682
Yoga	-	438	-	438
SAICP	-	200	-	200
Green Bike Project building	-	15,000	-	15,000
Digitalising care	-	5,000	-	5,000
Commemorative tree	-	18	-	18
Do Good	-	110	-	110
	70,046	41,817	(21,561)	90,302

Lottery funding was obtained during the years ended 31 March 1998 and 1999 and then again in 2001. The initial funding was obtained to purchase the leasehold of and to develop Wright Road, from where the Charity now operates.

Funding obtained during the year ended 31 March 2001 was for the establishment of a sensory garden and sensory room.

During the period ended 30 September 2006 and the period ended 31 March 2008 funding was obtained as detailed above, towards the cost of air conditioning.

During the year ended 31 March 2009 the Charity obtained funding for a briquette making machine.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

#### For the year ended 31 March 2022

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#### 14 RESTRICTED FUNDS (continued)

During the year ended 31 March 2010 the Charity obtained funding from the People's Millions for fixed asset additions in relation to the Green Bike Project and from Suffolk County Council for a new van.

During the year ended 31 March 2011 the Charity obtained funding for a shower tray.

During the year ended 31 March 2012 the Charity obtained funding for a kitchen refit, sensory room equipment and automatic doors.

During the year ended 31 March 2020, the Charity received £2,917 towards a new sensory garden and patio area.

During the current year, the Charity received £8,432 from Stars towards the provision of holiday clubs and evening youth clubs for children and young people with disabilities.

During the prior year a donation was received for use in the garden furniture workshop.

Also during the prior year donations were received to provide materials to be used by the Charity's beneficiaries in Batik arts activities.

The infection control fund was established during the prior year with funds received to assist with the Charity's response to the COVID-19 pandemic.

During the year, Kevin Robertson, a support worker, undertook a sponsored silence to raise funds to spend on a summerhouse and the garden at Wright Road.

The ladies Seckford Golf Club donated funds to be spent on equipment for the diner.

The Suffolk Building Society donated funds towards new furniture for the Social Zone at Wright Road.

The Asda Foundation gave funds towards a Christmas celebration and towards reintroducing sports and karaoke activities that our customers previously enjoyed.

SBS donated money to be spent on the Green Bike Project.

Royal Mencap and Sports England gave funds towards the purchase of sports equipment to be used by our customers.

The Suffolk Community foundation - Fonnereau Road Health Foundation Fund awarded a grant to be used for the purchase of a new overhead hoist in the new Personal Care Rooms.

The Suffolk Community Foundation - Suffolk Giving Fund and private funds gave funding to purchase a new shower bed for the new Personal Care Rooms.

Ipswich Borough Council gave grant funding to buy new equipment needed to restart yoga sessions that had been ended due to the pandemic.

SAICP was to fund Amazon Music to allow our customers access to music at the day centre.

The Rotary Club Ipswich gave £15000 towards the cost of building a new premises for the Green Bike Project.

Suffolk County Council awarded a grant to help increase the use of digital technology in providing care services.

A donation was given to fund the planting of a tree to commemorate the Queens Platinum Jubilee.

A team of volunteers from the Do Good organisation helped tidy the garden at Wright Road and a donation was made to be spent on making new planters.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2022**

**14 RESTRICTED FUNDS (continued)**

**For the year ended 31 March 2021**

	Balance at 1 April 2020 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2021 £
Lottery grant				
- Wright Road	45,385	(6,482)	-	38,903
- sensory garden and room	30,193	(3,636)	-	26,557
St Lawrence Parish Hall				
- air conditioning	385	(96)	-	289
SCC – briquette machine	1,953	(117)	-	1,836
Lottery – People’s Millions				
- Green Bike Project	625	(156)	-	469
SCC – van	1,043	(261)	-	782
Tesco Charity Award				
Mencap – shower tray	72	(29)	-	43
Ipswich Rotary Club				
Various – kitchen refit	90	(23)	-	67
BT - sensory room equipment	25	(6)	-	19
Stars	-	11,812	(11,812)	-
Garden	2,917	323	(3,240)	-
Laptops, tablets & cases	-	1,860	(1,860)	-
Workshop	-	560	-	560
Batik arts	-	521	-	521
Infection control fund	-	14,580	(14,580)	-
	82,688	18,850	(31,492)	70,046

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2022**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**For the year ended 31 March 2022**

	<b>Tangible assets £</b>	<b>Current assets £</b>	<b>Current liabilities £</b>	<b>Total £</b>
<b>Restricted funds</b>				
Wright Road	32,421	-	-	32,421
Sensory garden and room	18,160	4,761	-	22,921
St Lawrence Parish Hall Trust – air conditioning	216	-	-	216
SCC – briquette machine	263	1,484	-	1,747
Lottery – People’s Millions – Green Bike Project	352	-	-	352
SCC – van	586	-	-	586
Various – shower tray	21	-	-	21
Various – kitchen refit	51	-	-	51
BT – sensory room equipment	14	-	-	14
Batik arts	-	6	-	6
Garden sponsorship event	-	294	-	294
Seckford Golf Club - Diner	-	117	-	117
Suffolk Building Society	-	1,270	-	1,270
SBS - Green Bike Project	-	2,007	-	2,007
Sports equipment	-	1,781	-	1,781
Hoist for care room	4,050	-	-	4,050
Shower bed for care room	1,322	360	-	1,682
Yoga	-	438	-	438
SAICP	-	200	-	200
Green Bike Project building	-	15,000	-	15,000
Digitalising care	-	5,000	-	5,000
Commemorative tree	-	18	-	18
Do Good	-	110	-	110
	<u>57,456</u>	<u>32,846</u>	<u>-</u>	<u>90,302</u>
<b>Designated funds</b>				
Contingency fund	-	443,000	-	443,000
Property fund	-	100,000	-	100,000
	<u>-</u>	<u>543,000</u>	<u>-</u>	<u>543,000</u>
<b>Unrestricted funds</b>	266,549	223,440	164,872	325,117
	<u>324,005</u>	<u>799,286</u>	<u>164,872</u>	<u>958,419</u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2022**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**For the year ended 31 March 2021**

	<b>Tangible assets £</b>	<b>Current assets £</b>	<b>Current liabilities £</b>	<b>Total £</b>
<b>Restricted funds</b>				
Wright Road	38,903	-	-	38,903
Sensory garden and room	21,796	4,761	-	26,557
St Lawrence Parish Hall Trust – air conditioning	289	-	-	289
SCC – briquette machine	352	1,484	-	1,836
Lottery – People’s Millions – Green Bike Project	469	-	-	469
SCC – van	782	-	-	782
Various – shower tray	43	-	-	43
Various – kitchen refit	67	-	-	67
BT – sensory room equipment	19	-	-	19
Workshop	-	560	-	560
Batik arts	-	521	-	521
	<u>62,721</u>	<u>7,325</u>	<u>-</u>	<u>70,046</u>
<b>Designated funds</b>				
Contingency fund	-	362,000	-	362,000
Property fund	-	100,000	-	100,000
	<u>-</u>	<u>462,000</u>	<u>-</u>	<u>462,000</u>
<b>Unrestricted funds</b>	209,823	397,948	145,395	462,376
	<u>272,544</u>	<u>867,273</u>	<u>145,395</u>	<u>994,422</u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

#### 16. CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
<b>Net movement in funds</b>	(36,003)	132,572
<b>Adjustments for:</b>		
Depreciation charge	59,039	50,463
(Profit)/loss on disposal of fixed assets	1,414	10
Interest income	(585)	(1,083)
	<u>23,865</u>	<u>181,962</u>
<b>Movements in working capital:</b>		
Decrease/ (increase) in stock	(1,198)	8,884
(Increase)/ decrease in debtors	(63,633)	(13,653)
Increase/ (decrease) in creditors	19,477	11,695
	<u>(21,489)</u>	<u>188,888</u>

#### 17. PENSIONS

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. The charge to profit and loss in respect of the defined contribution scheme was £21,514 (2021: £16,505).

#### 18. CONNECTED CHARITY

Orwell Mencap is affiliated to The Royal Society for Mentally Handicapped Children and Adults (MENCAP).

#### 19. RELATED PARTIES

##### Care provided for Trustee relatives

Care was provided during the year for the relatives of three of the Trustees – K Parr, J Stevens and J Knell. The total care invoiced to these Trustees, on the same basis as for other clients, was £36,450 (2021: £30,041). One of the Trustee has made payments in advance, meaning that at the year end the charity had a creditor of £31 (2021: £4,157 debtor).

##### Employment of Trustee relatives

Immediate family members of N Leonard (Finance Manager) were employed by the charity during the current and prior year. The remuneration paid to these individuals was on the same basis as for other employees and totalled £16,207 for the year (2021: £18,244), none of which was outstanding at either year end.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

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#### 20. OPERATING LEASE COMMITMENTS

At 31 March 2022, the Charity was committed to making the following payments under non-cancellable operating leases:

	2022 £	2021 £
Within one year	576	-
Between two and five years	2,016	-
	<u>2,592</u>	<u>-</u>

#### 21. SHARE CAPITAL

The Charity is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such an amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are a member, or within one year after they cease to be a member, to cover the liabilities of the company.

ORWELL MENCAP

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2022

22. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)

	Note	Unrestricted £	Restricted £	2021 Total £
<b>Income from:</b>				
Donations and legacies		604,373	73,677	678,050
<i>Charitable activities:</i>				
Day care/domiciliary care and associated charges		707,963	-	707,963
Sales of goods made by beneficiaries		84,096	-	84,096
<i>Other trading activities</i>				
Fundraising		85	-	85
Investments		1,083	-	1,083
<b>Total income</b>		<b>1,397,600</b>	<b>73,677</b>	<b>1,471,277</b>
<b>Expenditure on:</b>				
<i>Raising funds:</i>				
Costs of generating donations and legacies		18,387	139	18,526
Costs of generating fundraising income		13,334	131	13,465
<i>Charitable Activities:</i>				
Day care/domiciliary care and associated charges		1,059,675	48,833	1,108,508
Goods made by beneficiaries		192,482	5,724	198,206
<b>Total expenditure</b>		<b>1,283,878</b>	<b>54,827</b>	<b>1,338,705</b>
<b>Net income/(expenditure)</b>		<b>113,722</b>	<b>18,850</b>	<b>132,572</b>
Fund transfers		31,492	(31,492)	-
<b>Net movement in funds</b>		<b>145,214</b>	<b>(12,642)</b>	<b>132,572</b>
Total funds brought forward		779,162	82,688	861,850
<b>Total funds carried forward</b>		<b>924,376</b>	<b>70,046</b>	<b>994,422</b>

**ORWELL MENCAP**

England & Wales - Charity number 1117888

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# Accounts

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Charity Registration No. 1117888

Company Registration No. 05984331 (England and Wales)

**ORWELL MENCAP**  
(a company limited by guarantee)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2021**

**Ensors Accountants LLP**

Chartered Accountants and Statutory Auditors  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

# ORWELL MENCAP

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## ORWELL MENCAP

### REFERENCE AND ADMINISTRATIVE DETAILS

Year ended 31 March 2021

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<b>Name:</b>	Orwell Mencap (also operates under working names of Genesis, Green Bike Project and STARS)
<b>Legal structure:</b>	Orwell Mencap is a company limited by guarantee in the United Kingdom, company number 05984331, incorporated 31 October 2006 and registered as a charity on 8 February 2007, charity number 1117888.
<b>Trustees:</b>	A Baker (resigned 4 <sup>th</sup> May 2021) B England (appointed 4 <sup>th</sup> May 2021) J Goodship (resigned 22 <sup>nd</sup> February 2021) J Knell C Kynaston (appointed 4 <sup>th</sup> May 2021) K Parr (Chair) J Stevens D Thomas (resigned 29 <sup>th</sup> September 2021) E Franks (appointed 23 <sup>rd</sup> November 2021) J Dickson (appointed 27 <sup>th</sup> July 2021)
<b>Chief executive:</b>	R Hart
<b>Principal address &amp; registered office:</b>	6 Wright Road Ipswich IP3 9JG
<b>Auditors:</b>	Ensors Accountants LLP Chartered Accountants & Statutory Auditors Connexions 159 Princes Street Ipswich IP1 1QJ
<b>Bankers:</b>	Barclays Bank plc 1 Princes Street Ipswich IP1 1PB  Ipswich Building Society PO Box 547 Ipswich IP3 9WZ
<b>Solicitors:</b>	Ashtons Legal Waterfront House Wherry Quay Ipswich IP4 1AS

## **ORWELL MENCAP**

### **TRUSTEES' REPORT**

**Year ended 31 March 2021**

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The Trustees present their report and accounts for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Orwell Mencap's governing document, the Memorandum & Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK & Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019).

The Charity also operates under the working names of Genesis, Green Bike Project and STARS

The Charity is affiliated to the Royal Mencap Society (Mencap) and bases its Memorandum and Articles of Association on the Royal Mencap Society's model constitution.

#### **STATUS AND GOVERNING INSTRUMENT**

Orwell Mencap is a company limited by guarantee, incorporated 31 October 2006. The company was registered as a charity on 8 February 2007, charity number 1117888, and is governed by its Memorandum and Articles of Association.

#### **TRUSTEES**

Details of all Trustees can be found on page 1.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is administered by an Executive Committee of Trustees appointed at the Charity's Annual General Meeting or subsequently by co-option until the following AGM. The Trustees usually meet regularly throughout the year but due to the pandemic there was only one meeting during the year.

At its meetings the Executive Committee follows a standard agenda to set the strategic direction of the Charity. The day to day management of activities and staff is delegated to the Chief Executive, who regularly reports back at the meetings of the Executive Committee. Between March 2020 and January 2021 the Chief Executive was on furlough leave and the day to day running of the charity was delegated to the Business Manager and the Services Manager. During this period the Chair of the Trustees met regularly with the Business Manager and the Services Manager to deal with specific issues.

In January 2021 the ex-Chief Executive returned from furlough leave to work his 2 months notice period before his retirement and to work with some trustees, senior management and customers to recruit a new Chief Executive whose employment started in late March 2021.

#### **Appointment and recruitment of Trustees**

New trustees are identified through appropriate networks and are appointed at the annual general meeting by the members. Trustees with specific management skills or experience in the field of learning disability are also co-opted to fill vacancies on the Executive Committee. Orwell Mencap is committed to equality and diversity in the recruitment of trustees and aims to appoint suitably qualified trustees from as broad a spectrum of the community as is possible. To this end Orwell Mencap undertake periodic analysis of trustees' skills and experiences in order to identify areas that could be strengthened by either recruitment of new trustees or training.

Prospective Trustees are first invited to view our services, talk to our service users and learn something of the culture and ethos of our organisation. They are then invited to submit a CV, apply for membership of Orwell Mencap, and are put forward for appointment. Once appointed or co-opted trustees receive induction, training and further support where appropriate.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2021**

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#### **Involving service users**

It is hoped that through training, mentoring and appropriate support that people with learning disabilities will play a meaningful and increasing role in the running of the Charity. During the year we have continued to seek opinion and representation from the clients and their carers and we continue with our commitment to work with clients on increasing their input into the running of Orwell Mencap.

This year service users were included in the recruitment process of the new Chief Executive Officer who was appointed in February 2021. The results of this survey were considered by the Executive Committee. Service users have also been consulted through Customer Forum meetings on a variety of issues for example advising on which activities the customers would like us to support them in.

Three trustees serving on the current Executive Committee are parents/carers of people with disabilities which currently use Genesis services.

#### **Safeguarding vulnerable adults**

All of the Charity's trustees and staff go through a full DBS police check.

#### **AIMS AND OBJECTIVES**

During the year ended 31 March 2021 the objects of the Charity were:-

The relief of those people in need through disabilities and disadvantages by identifying, promoting their needs, and providing services and facilities for the public benefit.

#### **PUBLIC BENEFIT**

In setting objectives, developing strategies and undertaking activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees are confident that Orwell Mencap's objects, as detailed above, are in accordance with the regulations on public benefit.

#### **REVIEW OF ACTIVITIES**

Orwell Mencap provides a wide range of care, support and training for people with learning and physical disabilities and the Charity's objectives are currently met through:

- Working with other organisations,
- Provision of day services for recreation
- Evening social clubs,
- Holiday clubs
- Domiciliary care and staffing supported living accommodation
- Social enterprises.

During the year our website ([www.orwellmencap.co.uk](http://www.orwellmencap.co.uk)) continued to give news and updates to a wider audience. We have attempted to increase our online profile through the increasing use of social networking sites.

#### **Working with other organisations**

Orwell Mencap believes very much in working in partnership with like-minded organisations as well as the National Mencap society and its affiliated groups but many of the usual programmes were suspended during the year due to the pandemic.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

#### **Year ended 31 March 2021**

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Regular contact is maintained by our senior management team with key staff from Suffolk County Council Adult Social Care regarding the provision of adult care services.

We continue to liaise with other day service providers and homes to promote good continuity of support for our services users and to allow service users to access multiple services whilst preventing outbreaks of the coronavirus to spread between services.

During the year we continued working with Ambient Housing, Saffron Housing and to allow 3 people with complex needs to live independently in their own home.

We also worked with Suffolk Brokerage and accredited training providers to share training expertise during the pandemic.

We also worked with Activities Unlimited and Thomas Wolsey school to develop our holiday clubs operating in Ipswich.

Genesis continues to reach out in to the wider community wherever possible and practical on a range of initiatives and partnership working opportunities.

During the COVID-19 lockdown from March to June 2020, realising our team of trained care workers were a valuable resource, we offered our staff to both Suffolk County Councils home care service and to the NHS to help care for and keep safe elderly and vulnerable adults who do not form part of our usual customer group.

#### **Genesis day service provision**

Sadly COVID-19 required that the day centre was closed between March and July 2020 but we continued to support our customers throughout lockdown by support at home, weekly phone calls and/or online video calls, newsletters and activities to do at home. Although the day centre has remained open since July 2020 it has been, by necessity, under a much different guise with less people and less communal activities all conducted under social distancing and infection control provisions. These have meant that we have had to restrict the numbers of customers on site and to increase this capacity it has proven necessary to close the diner to use the space to support more customers throughout the day. We have also been supporting more customers at home in the community.

Significant time has been spent monitoring PHE guidelines and sourcing the PPE required by the changing guidelines whilst helping staff and customers adapt to the new procedures and activities. By necessity we have had to change completely from our previous working methods of the customers being able to freely move between rooms and activities as and when they choose to and we are incredibly proud of how our staff and customers have adapted to the new situation.

#### **Domiciliary service provision**

Genesis provides domiciliary services to around 10 people through tailored individual support for people with learning disabilities and their carers and families in the community.

This can be anything from just a few hours a week to provide support to access social activities at home or at other locations, during the day, evening or at weekends.

Genesis also provides around the clock support to enable three clients to live as independently as possible in a home of their own. During COVID pandemic we continued to offer support at home to our existing domiciliary clients and also those day centre clients who required support.

#### **Evening Social Clubs**

Sadly our evening social clubs closed in March 2020 and have not yet been able to reopen.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2021**

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#### **Holiday clubs and after school clubs**

Due to school closures we were unable to run Holiday clubs in the 2020 Easter and spring half term holiday but we were able to reopen for the 2020 summer holidays albeit with many changes and smaller groups with more intensive staff support to help maintain social distancing etc.

#### **Social enterprises**

##### **(i) Genesis garden furniture**

From its fully-equipped workshop Genesis produces hardwood garden furniture of the highest quality, providing work experience, life skills, and undoubted benefits to self-esteem and mental health to those with disabilities. The furniture has a high reputation and Genesis is a preferred supplier for many local authorities including Ipswich Borough Council's parks.

As with the day centre the workshop was closed to support customers from March to July 2020 but the workshop manager was able to continue to sell furniture assembled from previously made components. Sadly the 2020 and 2021 trade shows were cancelled due to COVID but, with people having to stay at home more throughout the pandemic, this has meant that sales of furniture have been good and there has been plenty of activity for the customers in the workshop.

##### **(ii) Eco-fuel briquettes**

As a by-product of its furniture manufacture Genesis recycles its own sawdust as well as collected sawdust from local sawmills into compressed briquettes for resale.

##### **(iii) Green Bike Project**

The Green Bike Project takes unwanted bicycles and trains people with disabilities to repair, refurbish and recycle the machines for resale and community use.

It was also necessary to close the bike project to support customers between March and July 2020. Concerns over safety and COVID 19 have prevented a return to Holywells but the project reopened in August with a new project manager at our Wright Road site. The sales of bikes continued throughout lockdown providing a valuable resource at a time when local shops had sold out of new and unused bikes.

#### **VOLUNTEERS AND STAFF**

The Charity welcomes volunteers to help support our activities at Genesis. We appreciate the involvement of both our regular volunteers as well as those that help on specific projects or events, giving freely of their time and energy to enrich the experiences of our service users. We have this year attracted significant volunteers with high skills.

The trustees would like to thank all of the charity's staff for their continued dedication to our customers during this very difficult period and to publicly recognise that it is their efforts which allowed the charity to continue to offer care throughout the pandemic.

The Business Manager and Services Manager have made use of COVID financial resources and we are extremely grateful for the ongoing support from Suffolk County Council and the UK Government.

The trustees would also like to thank all the many individuals and organisations who kindly contributed donations and grants to us but including in particular:

- Suffolk County Council
- Activities Unlimited
- Suffolk Foundation
- Suffolk Brokerage
- ASDA

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2021**

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#### **FINANCIAL RESULTS FOR THE YEAR**

The total incoming resources to 31 March 2021 are stated at £1,471,277 compared to £1,474,410 for the year to 31 March 2020.

Total resources expended amount to £1,338,705 compared to £1,524,884 for the year to 31 March 2020. This means the results have shown a surplus of £132,572 compared to a deficit of £50,474 for the previous year.

Our care services income decreased from £1,320,095 to £707,963 but the cost of providing these services also decreased from £1,367,753 to £1,108,508 with a resultant deficit of £400,545 (2020 deficit of £47,658). This reflects the loss of income arising from physical face to face support given due to COVID-19. It does not reflect the grants and donations received in return for providing online and virtual support to our customers which is mentioned below.

Sales from the furniture, donated bikes and craft products were slightly up at £84,096 (2020: £83,062), but the cost of producing and selling these products increased to £198,206 from £126,023. This increase in costs arises due to an increase in the overheads allocated to these goods as a result of the reduction in direct support. Including overheads the social enterprises made a deficit of £114,110 (2020: £42,961).

Income from donations and gifts increased to £678,050 compared with £68,406 largely due to £321,992 of payments received from Suffolk County Council that related to virtual support given to our beneficiaries and £119,173 for the Job Retention Scheme that related to the privately funded element of our workforce.

Fundraising fell from £1,262 in 2020 to £85. Investment income also fell from £1,585 in 2020 to £1,083.

#### **POLICIES**

##### **Reserves**

The Trustees are committed to maintaining a sufficient level of reserves to ensure that all contractual and statutory liabilities can be satisfied and the business is viable in the long term. At the year end the Charity held funds amounting to £994,422, of which £70,046 were restricted and £462,000 were designated, see notes 13 and 14 for details.

The Trustees consider that unrestricted funds should be maintained at a level to enable the Charity to continue activity for at least 4 months in the event of the loss of funding and have designated a contingency fund to meet this aim. The Trustees consider that the current level of free reserves, £252,553 is adequate for the purposes of the charity.

##### **Investments**

The Charity has a policy of keeping funds in reasonably liquid condition which can be accessed quickly.

#### **RISK MANAGEMENT**

During the year the trustees delegated the management of risks to the Business Manager and Services Manager. The principal risks identified during the year and the control procedures used to mitigate against those risks were:

- COVID – 19 - To work closely with Suffolk County Council and our Health & Safety Consultants, follow PHE guidance on PPE, enhanced heating, ventilation and cleaning procedures, and change the way we are supporting customers to create a COVID secure environment whilst keeping finances under continuous review.
- Significant rises in the Living wage and sleep in costs– assess increases in wage and pension costs and build these into pricing structures and budgets.

## **ORWELL MENCAP**

### **TRUSTEES' REPORT (Continued)**

**Year ended 31 March 2021**

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- Contract risk from Suffolk County Council – monitor numbers of SCC customers and changes in SCC funding regime. Keeping fees at lowest possible level to ensure our services are affordable to those paying privately.
- Competition from other providers – increase marketing and maintain competitiveness.
- New projects and development of facilities being detrimental to existing services – careful consideration of new projects and our capacity to manage them.
- SCC long term strategy changing to detriment of Orwell Mencap – Monitor situation and work with SCC staff and councillors.
- Lack of trustee capacity – to recruit 2- 3 new trustees

#### **STRATEGIC GOALS**

##### **Expand, increase and diversify range of services offered and the range of clients we serve**

We will seek to increase the number of young people attending our day services and holiday clubs for children.

##### **Be prepared to respond to housing & supported living opportunities**

Management and trustees will monitor opportunities for expanding Housing & Supported living provision and where opportunities arise we will consider the financial case and associated risks for taking on projects.

##### **Expanding geographically across Suffolk**

We will look to expand into other areas of Suffolk.

#### **THE FUTURE AND GOING CONCERN**

At present it is expected that the 2021/22 finances will show a manageable deficit in the region of £70,000. The trustees are expecting to invest £85,000 in facilities and equipment in the expectation that this will result in increased customer numbers and revenues towards the end of 2021/22. Current cashflow forecasts project an estimated decrease in cash reserves of approximately £90,000. Consequently the trustees believe that it is appropriate to prepare the financial statements on a going concern basis.

#### **PAY POLICY FOR SENIOR STAFF**

The directors consider the Executive Committee, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All the trustees give of their time freely and no trustees received remuneration in the year. Details of trustees expenses and related party transactions are disclosed in notes 6 and 19 to the accounts.

The pay of senior staff is set by the trustees.

#### **TANGIBLE FIXED ASSETS**

Movements in fixed assets during the year are set out in note 9 to the accounts.

#### **FUNDRAISING**

Although the charity makes applications for grants to grant funding charities and accepts donations from local organisations and private individuals, the charity does not run fundraising campaigns or use third parties to raise funds on our behalf. We do not approach individuals in person, by email, telephone, social media or post to seek donations and have not received any complaints regarding fundraising.

## ORWELL MENCAP

### TRUSTEES' REPORT (Continued)

Year ended 31 March 2021

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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 the incoming resources and application of resources, including the income and expenditure, for the 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; 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 proper 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.

#### DISCLOSURE OF INFORMATION TO AUDITORS

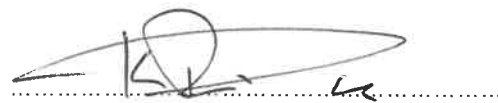
Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Charity's auditors are aware of such information.

#### AUDITORS

A resolution proposing that Ensors be reappointed as auditors of the Charity will be put to the members.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Trustees



Kathleen Parr  
Chair

Date: 14 December 2021

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP

For the year ended 31 March 2021

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#### Opinion

We have audited the financial statements of Orwell Mencap (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that individually or collectively, may cast significant doubt on the 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. 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 our audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)**

**For the year ended 31 March 2021**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our audit was designed to include tests of detail together with an assessment of the control environment to enable us to obtain reasonable assurance about whether the financial statements are free from material misstatement due to fraud.

In planning and designing our audit procedures we assessed the risks of material misstatement due to fraud. Our assessment concluded that the areas of highest risk are non-compliance with laws and regulations and management override of controls.

We obtained an understanding of the legal and regulatory frameworks that the charity operates in through discussions with management, and from our commercial knowledge and experience of the sector in which the charity operates. This enabled us to identify the key laws and regulations applicable to the charity. We focussed on specific laws and regulations which we considered may have a direct impact on the financial statements including safeguarding, the Companies Act 2006, taxation legislation, data protection and employment laws.

To address the risk of fraud we performed the following audit procedures:

- Thorough review of journal entries and other adjustments for appropriateness and evaluating the rationale of any transactions outside of the normal course of business.
- Assessment of key accounting estimates within the financial statements in order to assess their reasonableness and determine whether there is any bias in management's estimates.

## ORWELL MENCAP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORWELL MENCAP (Continued)

For the year ended 31 March 2021

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- All team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance.
- Enquiring of management whether there have been any alleged, suspected or actual instances of fraud during the year.
- Enquiring of management and those charged with governance whether there have been any actual or potential litigation or claims.
- Reviewing correspondence with relevant legal authorities.
- Reviewing legal expense accounts for any indicators of litigation or claims.

There are, however, inherent limitations to our above audit procedures. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they are likely to involve deliberate concealment or collusion.

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

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Rumsey FCA (Senior Statutory Auditor)

For and on behalf of Ensors Accountants LLP  
Chartered Accountants & Statutory Auditor  
Connexions  
159 Princes Street  
Ipswich  
IP1 1QJ

Date: 16th December 2021  
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**ORWELL MENCAP****STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)****For the year ended 31 March 2021**

	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
<b>Income from:</b>					
Donations and legacies	3	604,373	73,677	678,050	68,406
<i>Charitable activities:</i>					
Day care/domiciliary care and associated charges		707,963	-	707,963	1,320,095
Sales of goods made by beneficiaries		84,096	-	84,096	83,062
<i>Other trading activities</i>					
Fundraising		85	-	85	1,262
Investments		1,083	-	1,083	1,585
<b>Total income</b>		<b>1,397,600</b>	<b>73,677</b>	<b>1,471,277</b>	<b>1,474,410</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Costs of generating donations and legacies	4	18,387	139	18,526	17,810
Costs of generating fundraising income	4	13,334	131	13,465	13,298
<i>Charitable Activities:</i>					
Day care/domiciliary care and associated charges	4	1,059,675	48,833	1,108,508	1,367,753
Goods made by beneficiaries	4	192,482	5,724	198,206	126,023
<b>Total expenditure</b>		<b>1,283,878</b>	<b>54,827</b>	<b>1,338,705</b>	<b>1,524,884</b>
<b>Net income/(expenditure)</b>	6	113,722	18,850	132,572	(50,474)
Fund transfers		31,492	(31,492)	-	-
<b>Net movement in funds</b>		145,214	(12,642)	132,572	(50,474)
Total funds brought forward		779,162	82,688	861,850	912,324
<b>Total funds carried forward</b>		<b>924,376</b>	<b>70,046</b>	<b>994,422</b>	<b>861,850</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 15 to 29 form part of these financial statements

**ORWELL MENCAP**

**BALANCE SHEET**


**As at 31 March 2021**

	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Fixed assets</b>			
Tangible assets	9	<u>272,544</u>	<u>284,851</u>
<b>Current assets</b>			
Stock	10	24,458	33,342
Debtors	11	163,952	150,299
Cash at bank and in hand		<u>678,863</u>	<u>527,058</u>
		867,273	710,699
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	<u>145,395</u>	<u>133,700</u>
<b>NET CURRENT ASSETS</b>		<u>721,878</u>	<u>576,999</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>994,422</u>	<u>861,850</u>
<b>Funds</b>			
Unrestricted			
- general	13	462,376	272,162
- designated	13	<u>462,000</u>	<u>507,000</u>
		924,376	779,162
Restricted	14	<u>70,046</u>	<u>82,688</u>
<b>TOTAL FUNDS</b>		<u>994,422</u>	<u>861,850</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

Approved by the Executive Committee on 14 December 2021

and signed on its behalf by

  
K Parr

  
J Stevens

**Company registration no. 05984331**

The notes on pages 15 to 29 form part of these financial statements.

**ORWELL MENCAP****STATEMENT OF CASH FLOWS****For the year ended 31 March 2021**

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	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Cash flow from operating activities</b>	16	188,888	56,951
<b>Cash flow from investing activities</b>			
Interest income		1,083	1,585
Purchase of tangible fixed assets		(38,166)	(26,006)
Sale proceeds from disposal of tangible fixed assets		-	292
		<hr/>	<hr/>
		(37,083)	(24,129)
<b>(Decrease) / increase in cash &amp; cash equivalents in the year</b>		<hr/>	<hr/>
		151,805	32,822
<b>Cash &amp; cash equivalents at the beginning of the year</b>		<hr/>	<hr/>
		527,058	494,236
<b>Total cash &amp; cash equivalents at the end of the year</b>		<hr/>	<hr/>
		678,863	527,058

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

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### 1. ACCOUNTING POLICIES

#### Charity information

Orwell Mencap is a company limited by guarantee incorporated in England and Wales. The registered office is 6 Wright Road, Ipswich, IP3 9JG. The charity is a Public Benefit Entity as defined by FRS 102.

#### Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

These accounts are denominated in pound sterling and are rounded to the nearest pound.

#### Going concern basis

The accounts have been prepared on the going concern basis as the Trustees consider there to be sufficient funding to ensure the Charity meets its current liabilities as they fall due and there are no material uncertainties regarding the going concern status of the charity.

The Covid-19 pandemic has had a negative impact upon the Charity and the wider economy as a whole. However, the Trustees have taken measures to ensure that the Charity can continue to operate safely during the pandemic. The Charity also has significant reserves, which helps to ensure that the going concern basis remains appropriate.

#### Fund accounting

- Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable activities are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables are accounted for as the Charity earns the right to consideration by its performance.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of fundraising.
- 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.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

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### 1. ACCOUNTING POLICIES (continued)

- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis, e.g. floor areas or estimated usage as set out in notes 4 and 5.

#### **Pension commitments**

The Charity operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year they are payable.

#### **Employee benefits**

The cost of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises direct materials and, for work in progress, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

#### **Fixed assets**

Fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

#### **Depreciation**

Depreciation is calculated to write off the cost of the assets over the period of the expected useful life of each class of asset as follows:

Leasehold property	- straight line over the period of the lease
Leasehold improvements	- straight line over the period of the lease
Motor vehicles	- 25% reducing balance
Computer equipment	- 25% reducing balance
Fixtures & fittings	- 25% reducing balance
Plant & machinery	- 25% reducing balance

Assets in the course of construction are not depreciated.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of an asset, and is recognised in net income/(expenditure) for the year.

#### **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). Where it is not possible to estimate the recoverable amount of an individual asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

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### 1. ACCOUNTING POLICIES (continued)

#### **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and includes cash in hand, deposits with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

#### **Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **Taxation**

The charity is exempt from corporation tax on charitable activities.

#### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments' 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.

#### **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 receipts 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.

### 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.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2021**

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**3. INCOME**

	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2021 Total £</b>	<b>2020 Total £</b>
<b>Donations and legacies</b>				
Donations	6,718	6,612	13,330	11,508
Suffolk County Council	478,482	67,065	545,547	50,000
Government job retention scheme	119,173	-	119,173	6,898
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>604,373</b>	<b>73,677</b>	<b>678,050</b>	<b>68,406</b>

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

### 4. EXPENDITURE

	Voluntary income £	Fundraising £	Day Care / domiciliary and assoc charges £	Goods made by beneficiaries £	2021 total £	2020 total £	Basis of allocation	
<b>Costs directly allocated to activities</b>								
Wages & salaries	-	-	858,527	77,391	935,918	1,047,166	Direct	
Motor expenses	-	-	12,842	3,244	16,086	34,448	Direct	
Rent	-	-	2,335	-	2,335	5,186	Direct	
Timber/material etc	-	-	-	26,497	26,497	25,048	Direct	
Depreciation	-	-	8,694	1,724	10,418	12,731	Direct	
Loss on disposal	-	-	-	-	-	30	Direct	
Sessions/costs	-	-	3,247	405	3,652	33,449	Direct	
Subscriptions & training	-	-	1,802	-	1,802	7,805	Direct	
Building & equip maintenance	-	-	1,593	1,054	2,647	4,256	Direct	
Irrecoverable VAT	-	-	26,632	-	26,632	22,407	Direct	
Miscellaneous costs	-	-	2,136	229	2,365	1,250	Direct	
Canteen costs	-	-	384	-	384	22,177	Direct	
Electricity	-	-	-	-	-	204	Direct	
Professional fees	-	-	565	-	565	587	Direct	
Bad debt	-	-	1,810	114	1,924	247	Direct	
Governance costs	Note 5	1,011	722	8,376	2,888	12,997	24,418	
<b>2021 total costs directly allocated</b>		<b>1,011</b>	<b>722</b>	<b>928,942</b>	<b>113,546</b>	<b>1,044,221</b>	<b>1,241,408</b>	
<b>Support costs allocated to activities</b>								
Premises costs	283	283	14,147	13,015	27,728	41,988	Floor area	
General office & finance staff	12,373	8,838	102,520	35,352	159,083	153,353	Staff time	
Training, advertising & subscriptions	155	111	1,282	442	1,989	-	Staff time	
Health & Safety PPE	1,141	815	9,457	3,261	14,674	-	Staff time	
Motor expenses & subsistence	7	5	62	21	96	-	Staff time	
General costs - insurance	102	102	5,099	4,691	9,994	8,838	Floor area	
Depreciation	400	400	20,023	18,421	39,244	35,715	Floor area	
Loss on disposal	-	-	5	5	10	1,592	Floor area	
Finance costs - bank charges	12	12	1,112	73	1,209	880	Turnover	
Computing costs	644	460	5,333	1,839	8,276	9,017	Usage *	
Legal, professional & consultancy	372	266	3,086	1,064	4,788	4,627	Usage *	
Postage, stationery & advertising	164	117	1,356	467	2,103	4,219	Usage *	
Communications - telephone	143	102	1,188	410	1,844	1,781	Usage *	
Sundry expenses - miscellaneous	31	22	259	89	402	400	Usage *	
Governance costs	Note 5	1,686	1,209	14,640	5,509	23,044	21,065	
<b>2021 total support costs allocated</b>		<b>17,515</b>	<b>12,743</b>	<b>179,567</b>	<b>84,659</b>	<b>294,484</b>	<b>283,475</b>	
<b>Total resources expended</b>		<b>18,526</b>	<b>13,465</b>	<b>1,108,508</b>	<b>198,206</b>	<b>1,338,705</b>	<b>1,524,884</b>	
<i>2020 total costs directly allocated</i>		<b>1,899</b>	<b>1,668</b>	<b>1,196,898</b>	<b>40,943</b>	<b>1,241,408</b>		
<i>2020 total support costs allocated</i>		<b>15,911</b>	<b>11,630</b>	<b>170,855</b>	<b>85,080</b>	<b>283,475</b>		
<i>2020 total resources expended</i>		<b>17,810</b>	<b>13,298</b>	<b>1,367,753</b>	<b>126,023</b>	<b>1,524,884</b>		

\*usage based on staff time

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

### 5. GOVERNANCE COSTS

Governance costs are allocated between the four expenditure categories, as shown below:

	Voluntary income £	Fundraising £	Day Care / domiciliary and assoc charges £	Goods made by beneficiaries £	2021 total £	2020 total £	Basis of allocation
<b>Costs directly allocated to activities</b>							
Audit & accountancy	1,011	722	8,376	2,888	12,997	24,418	Direct
<b>Support costs allocated to activities</b>							
Premises costs	6	6	289	266	566	857	Floor
Wages & salaries	1,375	982	11,391	3,928	17,676	17,039	Usage
Training, advertising & subscriptions	17	12	142	49	221	-	
Health & Safety PPE	127	91	1,051	362	1,630	-	
Motor expenses & subsistence	1	1	7	2	11	-	
General costs - insurance	2	2	104	96	204	180	Floor
Depreciation	8	8	409	376	801	729	Floor
Loss on disposal	-	-	-	-	-	32	Floor
Computing costs	72	51	593	204	920	1,002	Usage
Legal, professional & consultancy	41	30	343	118	532	514	Usage
Postage, stationery & advertising	18	13	151	52	234	469	Usage
Communications - telephone	16	11	132	46	205	198	Usage
Sundry expenses - miscellaneous	3	2	29	10	45	44	Usage
	1,686	1,209	14,640	5,509	23,044	21,065	
<b>Total governance costs</b>	<b>2,697</b>	<b>1,931</b>	<b>23,016</b>	<b>8,397</b>	<b>36,041</b>	<b>45,482</b>	

### 6. NET INCOME/(EXPENDITURE) FOR THE YEAR

	2021 £	2020 £
This is stated after charging:		
(Profit) / Loss on disposal of fixed assets	10	1,654
Depreciation	50,463	49,175
Auditors' remuneration – audit services	8,600	8,300
Auditors' remuneration – non-audit services	4,397	16,118

The Trustees received no remuneration during either year. One Trustee was reimbursed for expenditure incurred on behalf of the charity to purchase paint for £102 (2020: £Nil). No donations were made by the Trustees to the Charity during the year (2020: £Nil). The Charity purchased indemnity insurance for its Trustees at a cost of £312 (2020: £52).

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

#### 7. STAFF COSTS

	2021 £	2020 £
Wages and salaries	1,042,198	1,137,660
Social security costs	53,974	62,471
Pensions	16,505	17,428
	<u>1,112,677</u>	<u>1,217,559</u>

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

Day care/domiciliary care	86	96
Administration & support (including CEO)	6	8
	<u>92</u>	<u>104</u>

No employees were paid over £60,000 during either year.

#### Key management remuneration

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees for planning, directing and controlling the activities of the charity. Aggregate key management remuneration was as follows:

	2021 £	2020 £
Salaries	108,987	106,656
Social security	11,404	11,147
Pensions	2,964	2,537
	<u>123,355</u>	<u>120,340</u>

#### 8. CORPORATION TAX

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2021**

**9. FIXED ASSETS**

	Leasehold Property	Leasehold Improvements	Motor Vehicles	Computer Equipment	Fixtures & Fittings	Plant & Machinery	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 April 2020	90,000	435,724	114,767	58,698	37,345	80,938	817,474
Additions	-	21,026	-	3,085	-	14,057	38,166
Disposals	-	-	-	-	(295)	-	(295)
At 31 March 2021	90,000	456,750	114,767	61,783	37,050	94,995	855,345
<b>Depreciation</b>							
At 1 April 2020	69,000	245,442	84,762	45,034	22,765	65,619	532,623
Charge	3,000	27,175	7,503	3,505	3,649	5,632	50,463
On disposals	-	-	-	-	(285)	-	(285)
At 31 March 2021	72,000	272,617	92,265	48,539	26,129	71,251	582,801
<b>Net Book Value</b>							
At 31 March 2021	18,000	184,133	22,502	13,244	10,921	23,744	272,544
<b>Net Book Value</b>							
At 31 March 2020	21,000	190,282	30,005	13,664	14,580	15,319	284,851

All assets are used in the furtherance of the charitable activities.

**10. STOCK**

	2021 £	2020 £
Finished goods	10,195	10,142
Raw materials and work in progress	14,263	23,200
	24,458	33,342

**11. DEBTORS**

	2021 £	2020 £
Trade debtors	84,937	91,226
Prepayments and accrued income	79,015	59,073
	163,952	150,299

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2021**

**12. CREDITORS: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	13,552	5,990
Tax & Social Security	54,195	55,609
Other creditors	4,554	7,195
Accruals	73,094	64,906
	<u>145,395</u>	<u>133,700</u>

**13. UNRESTRICTED FUNDS**

**For the year ended 31 March 2021**

	<b>Balance at 1</b>	<b>Movement</b>	<b>Transfers</b>	<b>Balance at</b>
	<b>April 2020</b>	<b>in the year</b>	<b>between</b>	<b>31 March</b>
	<b>£</b>	<b>(net)</b>	<b>funds</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General	272,162	113,722	76,492	462,376
Designated				
- Contingency fund	407,000	-	(45,000)	362,000
- Property fund	100,000	-	-	100,000
	<u>779,162</u>	<u>113,722</u>	<u>31,492</u>	<u>924,376</u>

The Contingency designated fund was set up at 31 March 2012 as the Trustees thought it prudent to maintain a contingency fund equal to 4 months' worth of salary costs whilst alternative funding is sought.

The property fund was initially set up in 2016 to cover the anticipated improvement works on the Wright Road site. During 2018 the fund was increased and its purpose changed to be used to secure new premises once the current lease ends. During 2020 it was agreed to reduce the property fund to £100,000 and to spend the remaining funds on developing the existing premises.

**For the year ended 31 March 2020**

	<b>Balance at 1</b>	<b>Movement</b>	<b>Transfers</b>	<b>Balance at</b>
	<b>April 2019</b>	<b>in the year</b>	<b>between</b>	<b>31 March</b>
	<b>£</b>	<b>(net)</b>	<b>funds</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General	239,946	(58,454)	90,670	272,162
Designated				
- Contingency fund	381,000	-	26,000	407,000
- Property fund	200,000	-	(100,000)	100,000
	<u>820,946</u>	<u>(58,454)</u>	<u>16,670</u>	<u>779,162</u>

# ORWELL MENCAP

## NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

### 14. RESTRICTED FUNDS

For the year ended 31 March 2021

	Balance at 1 April 2020 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2021 £
Lottery grant				
- Wright Road	45,385	(6,482)	-	38,903
- sensory garden and room St Lawrence Parish Hall	30,193	(3,636)	-	26,557
- air conditioning	385	(96)	-	289
SCC – briquette machine	1,953	(117)	-	1,836
Lottery – People’s Millions				
- Green Bike Project	625	(156)	-	469
SCC – van	1,043	(261)	-	782
Tesco Charity Award				
Mencap – shower tray	72	(29)	-	43
Ipswich Rotary Club				
Various – kitchen refit	90	(23)	-	67
BT - sensory room equipment	25	(6)	-	19
Stars	-	11,812	(11,812)	-
Garden	2,917	323	(3,240)	-
Laptops, tablets & cases	-	1,860	(1,860)	-
Workshop	-	560	-	560
Batik arts	-	521	-	521
Infection control fund	-	14,580	(14,580)	-
	<u>82,688</u>	<u>18,850</u>	<u>(31,492)</u>	<u>70,046</u>

Lottery funding was obtained during the years ended 31 March 1998 and 1999 and then again in 2001. The initial funding was obtained to purchase the leasehold of and to develop Wright Road, from where the Charity now operates.

Funding obtained during the year ended 31 March 2001 was for the establishment of a sensory garden and sensory room.

During the period ended 30 September 2006 and the period ended 31 March 2008 funding was obtained as detailed above, towards the cost of air conditioning.

During the year ended 31 March 2009 the Charity obtained funding for a briquette making machine.

During the year ended 31 March 2010 the Charity obtained funding from the People's Millions for fixed asset additions in relation to the Green Bike Project and from Suffolk County Council for a new van.

During the year ended 31 March 2011 the Charity obtained funding for a shower tray.

During the year ended 31 March 2012 the Charity obtained funding for a kitchen refit, sensory room equipment and automatic doors.

During the year ended 31 March 2020, the Charity received £2,917 towards a new sensory garden and patio area.

During the current year, the Charity received £41,500 from Stars towards the provision of holiday clubs and evening youth clubs for children and young people with disabilities.

During the current year a donation was received for use in the garden furniture workshop.

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

#### For the year ended 31 March 2021

#### 14 RESTRICTED FUNDS (continued)

During the current year the charity received donations to fund new laptops, tablets and cases to assist with remote working.

Also during the current year donations were received to provide materials to be used by the Charity's beneficiaries in Batik arts activities.

The infection control fund was established during the year with funds received to assist with the Charity's response to the COVID-19 pandemic.

#### For the year ended 31 March 2020

	Balance at 1 April 2019 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2020 £
Lottery grant				
- Wright Road	51,868	(6,483)	-	45,385
- sensory garden and room	33,830	(3,637)	-	30,193
St Lawrence Parish Hall				
- air conditioning	512	(127)	-	385
SCC – briquette machine	2,110	(157)	-	1,953
Lottery – People's Millions				
- Green Bike Project	832	(207)	-	625
SCC – van	1,391	(348)	-	1,043
Tesco Charity Award				
Mencap – shower tray	111	(39)	-	72
Ipswich Rotary Club				
Various – kitchen refit	121	(31)	-	90
BT - sensory room equipment	34	(9)	-	25
BT Helping Hand				
Ipswich Rotary Club - doors	457	(457)	-	-
Suffolk Foundation				
Diner	112	(112)	-	-
Stars	-	16,670	(16,670)	-
Garden	-	2,917	-	2,917
	91,378	7,980	(16,670)	82,688

**ORWELL MENCAP****NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 March 2021****15. ANALYSIS OF NET ASSETS BETWEEN FUNDS****For the year ended 31 March 2021**

	<b>Tangible assets £</b>	<b>Current assets £</b>	<b>Current liabilities £</b>	<b>Total £</b>
<b>Restricted funds</b>				
Wright Road	38,903	-	-	38,903
Sensory garden and room	21,796	4,761	-	26,557
St Lawrence Parish Hall Trust – air conditioning	289	-	-	289
SCC – briquette machine	352	1,484	-	1,836
Lottery – People’s Millions – Green Bike Project	469	-	-	469
SCC – van	782	-	-	782
Various – shower tray	43	-	-	43
Various – kitchen refit	67	-	-	67
BT – sensory room equipment	19	-	-	19
Workshop	-	560	-	560
Batik arts	-	521	-	521
	<u>62,721</u>	<u>7,325</u>	<u>-</u>	<u>70,046</u>
<b>Designated funds</b>				
Contingency fund	-	362,000	-	362,000
Property fund	-	100,000	-	100,000
	<u>-</u>	<u>462,000</u>	<u>-</u>	<u>462,000</u>
<b>Unrestricted funds</b>	209,823	397,948	145,395	462,376
	<u>272,544</u>	<u>867,273</u>	<u>145,395</u>	<u>994,422</u>

**ORWELL MENCAP**

**NOTES TO THE ACCOUNTS (Continued)**

**For the year ended 31 March 2021**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**For the year ended 31 March 2020**

	<b>Tangible assets £</b>	<b>Current assets £</b>	<b>Current liabilities £</b>	<b>Total £</b>
<b>Restricted funds</b>				
Wright Road	45,385		-	45,385
Sensory garden and room	25,432	4,761	-	30,193
St Lawrence Parish Hall Trust – air conditioning	385	-	-	385
SCC – briquette machine	469	1,484	-	1,953
Lottery – People’s Millions – Green Bike Project	625	-	-	625
SCC – van	1,043	-	-	1,043
Various – shower tray	72	-	-	72
Various – kitchen refit	90	-	-	90
BT – sensory room equipment	25	-	-	25
Garden	-	2,917	-	2,917
	<u>73,526</u>	<u>9,162</u>	<u>-</u>	<u>82,688</u>
<b>Designated funds</b>				
Contingency fund	-	407,000	-	407,000
Property fund	-	100,000	-	100,000
	<u>-</u>	<u>507,000</u>	<u>-</u>	<u>507,000</u>
<b>Unrestricted funds</b>	211,325	194,537	133,700	272,162
	<u>284,851</u>	<u>710,699</u>	<u>133,700</u>	<u>861,850</u>

## ORWELL MENCAP

### NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 2021

#### 16. CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net movement in funds</b>	132,572	(50,474)
<b>Adjustments for:</b>		
Depreciation charge	50,463	49,175
(Profit)/Loss on disposals	10	1,655
Interest income	(1,083)	(1,585)
	<u>181,962</u>	<u>(1,229)</u>
<b>Movements in working capital:</b>		
Decrease/ (increase) in stock	8,884	4,956
(Increase)/ decrease in debtors	(13,653)	23,585
Increase/ (decrease) in creditors	11,695	29,639
	<u>188,888</u>	<u>56,951</u>

#### 17. PENSIONS

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. The charge to profit or loss in respect of the defined contribution scheme was £16,505 (2020: £17,428).

#### 18. CONNECTED CHARITY

Orwell Mencap is affiliated to The Royal Society for Mentally Handicapped Children and Adults (MENCAP).

#### 19. RELATED PARTIES

##### Care provided for Trustee relatives

Care was provided during the year for the relatives of three of the Trustees – K Parr, J Stevens and J Knell. The total care invoiced to these Trustees, on the same basis as for other clients, was £30,041 (2020: £71,436), of which £4,157 (2020: £4,171) was outstanding at the year end and has since been cleared.

##### Employment of Trustee relatives

Immediate family members of N Leonard (Finance Manager) were employed by the charity during the current and prior year. The remuneration paid to these individuals was on the same basis as for other employees and totalled £18,244 for the year (2020: £20,191), none of which was outstanding at either year end.

##### Other related party transactions

During the year, Nick Leonard (Finance Manager) purchased a bike from the Charity's Green Bike Project for £125.

**ORWELL MENCAP****NOTES TO THE ACCOUNTS (Continued)****For the year ended 31 March 2021****20. SHARE CAPITAL**

The Charity is a company limited by guarantee and accordingly does not have any share capital. Every member of the company undertakes to contribute such an amount as may be required (not exceeding £1) to the company's assets if it should be wound up whilst they are a member, or within one year after they cease to be a member, to cover the liabilities of the company.

**21. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)**

	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>			
Donations and legacies	7,671	60,735	68,406
<i>Charitable activities:</i>			
Day care/domiciliary care and associated charges	1,320,095	-	1,320,095
Sales of goods made by beneficiaries	83,062	-	83,062
<i>Other trading activities</i>			
Fundraising	1,262	-	1,262
Investments	1,585	-	1,585
<b>Total income</b>	<u>1,413,675</u>	<u>60,735</u>	<u>1,474,410</u>
<b>Expenditure on:</b>			
<i>Raising funds:</i>			
Costs of generating donations and legacies	17,642	168	17,810
Costs of generating fundraising income	13,093	205	13,298
<i>Charitable Activities:</i>			
Day care/domiciliary care and associated charges	1,321,397	46,356	1,367,753
Goods made by beneficiaries	119,997	6,026	126,023
<b>Total expenditure</b>	<u>1,472,129</u>	<u>52,755</u>	<u>1,524,884</u>
<b>Net income/(expenditure)</b>	(58,454)	7,980	(50,474)
Fund transfers	16,670	(16,670)	-
<b>Net movement in funds</b>	(41,784)	(8,690)	(50,474)
Total funds brought forward	<u>820,946</u>	<u>91,378</u>	<u>912,324</u>
<b>Total funds carried forward</b>	<u><u>779,162</u></u>	<u><u>82,688</u></u>	<u><u>861,850</u></u>