

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

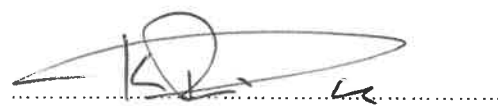
Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the Charity's auditors 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	<b>113,722</b>	<b>18,850</b>	<b>132,572</b>	<b>(50,474)</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>	<b>(50,474)</b>
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**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	9	272,544	284,851
<b>Current assets</b>			
Stock	10	24,458	33,342
Debtors	11	163,952	150,299
Cash at bank and in hand		678,863	527,058
		867,273	710,699
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	12	145,395	133,700
<b>NET CURRENT ASSETS</b>		721,878	576,999
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		994,422	861,850
<b>Funds</b>			
Unrestricted			
- general	13	462,376	272,162
- designated	13	462,000	507,000
		924,376	779,162
Restricted	14	70,046	82,688
<b>TOTAL FUNDS</b>		994,422	861,850

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**

	<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
		<u>(37,083)</u>	<u>(24,129)</u>
<b>(Decrease) / increase in cash &amp; cash equivalents in the year</b>		<u>151,805</u>	<u>32,822</u>
<b>Cash &amp; cash equivalents at the beginning of the year</b>		<u>527,058</u>	<u>494,236</u>
<b>Total cash &amp; cash equivalents at the end of the year</b>		<u><u>678,863</u></u>	<u><u>527,058</u></u>

**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.

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.

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****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
<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>		1,011	722	928,942	113,546	1,044,221	1,241,408

	Voluntary income £	Fundraising £	Day care / domiciliary and assoc charges £	Goods made by beneficiaries £	2021 total £	2020 total £	Basis of allocation
<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>		17,515	12,743	179,567	84,659	294,484	283,475
<b>Total resources expended</b>		18,526	13,465	1,108,508	198,206	1,338,705	1,524,884

2020 total costs directly allocated	1,899	1,668	1,196,898	40,943	1,241,408
2020 total support costs allocated	15,911	11,630	170,855	85,080	283,475
2020 total resources expended	17,810	13,298	1,367,753	126,023	1,524,884

\*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**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
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

	2021 £	2020 £
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

	Balance at 1 April 2020 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2021 £
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

	Balance at 1 April 2019 £	Movement in the year (net) £	Transfers between funds £	Balance at 31 March 2020 £
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	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

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
	<u>91,378</u>	<u>7,980</u>	<u>(16,670)</u>	<u>82,688</u>

# 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>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**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<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>
<b>Net generated from operating activities</b>	<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>	<b>1,413,675</b>	<b>60,735</b>	<b>1,474,410</b>
<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>	<b>1,472,129</b>	<b>52,755</b>	<b>1,524,884</b>
<b>Net income/(expenditure)</b>	<b>(58,454)</b>	<b>7,980</b>	<b>(50,474)</b>
Fund transfers	16,670	(16,670)	-
<b>Net movement in funds</b>	<b>(41,784)</b>	<b>(8,690)</b>	<b>(50,474)</b>
Total funds brought forward	820,946	91,378	912,324
<b>Total funds carried forward</b>	<b>779,162</b>	<b>82,688</b>	<b>861,850</b>