



The local voice of learning disability

Report of the Trustees and Unaudited Accounts For the year ended 31st March 2022

Charity Registration Number: 1118287
Company Registration Number: 05976118 (England & Wales)

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LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2022

Status:

The charitable company was established under memorandum and articles of association incorporated 24 October 2006 and registered as a charity 8 March 2007. Prior to incorporation the charity had provided services in Reading since 1962.

Charity Number: 1118287

**Company Number:
(England & Wales)** 05976118

**Registered Office &
Principal Office** 21 Alexandra Road,
Reading, RG1 5PE

Trustees & Directors **L Macdonald**, Chair
J N Walters, Treasurer
P Miller
Z Ridout
M Saban
K Otto (appointed 6th October 2021)

The Trustees/directors of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. At the Balance Sheet date there were 5 trustees each guaranteeing to contribute £1.

Independent Examiner:

John Mack, FCCA
CF Limited
Certified Accountants and Taxation Consultants
20 Woods Road, Caversham,
Reading, RG4 6NA

Report of the Trustees FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report together with the financial statements of the charitable company for the year ended 31 March 2022, as required under the Charities Act 2011. This report is also the Directors' report required by section 386 of the Companies Act 2006.

Mission Statement

Our mission is to transform the attitude of our local community to learning disability (LD) and improve the lives of people with learning disabilities and their families in five ways:

- Raising awareness and changing attitudes
- Making a difference to the lives of people with learning disability through good quality services
- Combating loneliness and isolation by supporting friendships and relationships
- Improving health for people with learning disability
- Supporting families to give their children with LD equal chances in life

Purposes and Aims

The aims of Reading Mencap are:

1. To support children and adults and their family carers and parents with information, advice and advocacy around health and social care, benefits, education, Transition, employment, housing and hate crime and any other issue arising from their learning disabilities.
2. To grow and improve our Day Opportunity Services and improve our offer to young adults who are not in employment or training.
2. To improve the quality of, and the access to, our clubs and events for children and adults with learning disabilities
4. To identify isolated adults and their elderly parents and family carers and increase their involvement in the community.
5. To improve the resources and sustainability of Reading Mencap

Ensuring Our Work Delivers Our Aims

This was the second year of the pandemic when we started to reopen our services again but with the constant need to think about infection control. Our day service had only opened briefly for 2 months in the previous year but was closed again because of the national lockdown over Christmas 2020-21. So, we finally reopened permanently in April 2021 and found a very challenging picture of how the pandemic had affected our service users. Because of the

constant need for vigilance on infection, we could only take 6 service users each day instead of our normal 15 to ensure social distance requirements. However, Our clubs, which were still closed released the Clubs manager, who was now in full production with designing, making up and delivering weekly activity packs to people's homes, which would ensure our other service users were kept in touch until we could resume a full normal service.

When we started to bring service users back to their day services, the picture we saw of so many with reduced mobility, caused by injuries from falls and long periods of being housebound, and many with mental health issues, was alarming. We therefore used our Family Advisers and an ex nurse working in our day service, to work directly with families to support them to get their cared for person back to health, so they could return to their vital services. This took almost the whole year to achieve, but sadly we lost over a dozen service users that could not return. This has had a dramatic effect on our charity income, which we are unlikely to see improve to pre-pandemic levels for some years to come. Our ME2 service for more severely disabled clients was hit particularly hard and, by the end of the year, was not covering its costs. This situation continues.

We also soon realised that there was a national workforce crisis when we found we could not recruit to the various care support worker vacancies that we were experiencing in our two day services. This situation was combined with ongoing staff absences due to COVID, or family members with COVID, that meant that, at various times, we had to close one or the other services for anywhere between a day or a week at a time, which further eroded our income stream.

The year also saw us draw up and run a comprehensive vaccinations programme, working with GPs, Readibus and CTPLD, where we ensured that service users not only got their vaccinations, but were also recorded on their GP LD registers, to ensure they would receive their invitations to their Annual Health Checks. We also finally secured 15 months of funding for a Health Family Adviser to pick up the work again to research into local reasons why there continues to be health inequalities for people with LD.

Our fundraising Manager continued to do an amazing job of bringing in significant sums throughout the pandemic, to ensure the charity could still continue to pursue its development plans, including the employment of a new Head of Business Development, who finally joined us in July 2021. We now have a fully refreshed Business Plan and Action plan and work is now underway to ensure that all managers understand our plans to continue to develop the charity and increase and diversify its income streams.

January 2022 saw our year-long plans to get a Transitions Family Adviser commissioned by RBC and in post, come to fruition, and we have high hopes that Reading will want the work we achieve this year to continue.

The Focus of Our Work and Delivering Public Benefit

In February 2022 we saw the start of our third year of four, of our second round of Lottery funding for our crucial Family Support Service. It is a constant worry how we fund the service, even though it is now funded by 4 different funders,

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Tel: 0118 966 2518, Email: office@readingmencap.org.uk

Registered Charity: 1118287 Company number: 05976118

www.readingmencap.org.uk

but the Lottery is by far the biggest. This will be our biggest challenge for 2022-23, and it is even more crucial that this service continues because of the cost of living and energy crisis. We know that our service users and carers will desperately need our help to maximise their incomes and support their management of debts throughout this time.

We ended the year still desperately trying to recruit staff for our proposed Saturday 18-25 Transitions social club, which is to meet a significant gap in services for young people who are preparing for adulthood. Finally, a little way into the new year we finally recruited and plan to start the new service in June 2022.

The long awaited RBC tender for local authority voluntary sector funding, including our vital clubs, was postponed before Christmas 2021, and finally released on April 5th, 2022. Our clubs were reopened in early 2022 and our choir rehearsals for our 60th anniversary celebrations, as well as the Queen's Platinum Jubilee, in June 2022, began.

Our campaign to secure the use of the Bulmershe allotments continued and drew in the leader of the Council to help push things through, but as at the end of the financial year, we were still waiting to hear any news.

I would like to thank, on behalf of all the trustees, our wonderful staff who have again worked tirelessly throughout the second pandemic year. They continue to show their dedication to both our service users, their family carers, and the charity.

Future plans

We continue to hope that we can secure the Bulmershe Allotments to start a new 18-30 horticultural day service, possibly as a Social Enterprise, to meet a gap in the local market. We heard shortly into the new financial year that the land had been put out to a voluntary sector tender. The coming year will be crucial for our Business Development plans, but as re-funding of local authorities continues to be a distant hope it is unlikely that the local authority will make it easy for us to run this new service.

Risk Review

All risk assessment processes we are using are in line with those recommended by Reading Borough Council and the Social Care Institute for Excellence and Royal Mencap Society.

Going Concern

Currently we have no concerns about the viability of the charity and are confident that we can continue to provide services into the new year.

Financial Review

The financial results for the year showed total income of £571,388 (2021: £555,747). At the Balance Sheet date total net assets amounted to £370,094

(2021: £318,761). The charity recorded a surplus for the year of £51,333 (2021: Surplus £118,843).

We continue to invest to develop our range and strength of activities.

Principal Funding Sources

Our primary funding source has become the earned income from our Day Services, this totalling £165,264, followed by the Big Lottery to run our Family Support Service £73,965. Reading Borough Council provided £54,699, for the Family Support Service and clubs for adults. We also continued to rent out the self-contained flat at 21a Alexandra Road for four adults with LD living in supported living which bought in £38,186.

The Charity received £3,360 from HMRC under the Furlough scheme (2021: £24,696).

A summary of this year's Restricted Grants is set out in Note 3 on page 16 of the Financial Statements.

The trustees would also like to thank all the trusts, foundations, companies, community groups and individuals who have supported us over the last year. There are too many to detail in this report, but we would like to say a special thank you to the following:

Alice McGonnell, Rosie Rodgers, Elaine Ryan and
Michael Harrison

Arnold Clark Community Fund

Ascot Racecourse

Asda Tilehurst

AWE Aldermaston

B&Q Foundation/Neighbourly

Duff Family

Englefield Charitable Trust

Gaye Pottinger

Gerald Palmer Eling Trust

Grant Thornton LLP

Heather Gibb

Heavy Pop/Black & White Music

IKEA Reading

Invesco

Jaguar Land Rover Reading

J Mould

Lions Club of Reading

Mid-counties Co-op Community Fund

Mizuno

Pauline Osborn

Proctor & Gamble

R & S Smith

Reading Mencap, Annual Report & Accounts year end 31st March 2022

Tel: 0118 966 2518, Email: office@readingmencap.org.uk

Registered Charity: 1118287 Company number: 05976118

www.readingmencap.org.uk

Reading Christadelphians
Reading Dispensary Trust
Select Car Leasing
St Laurence Relief in Need Trust
Shanley Foundation
Thames Water
Tom Purser
Waitrose Tilehurst

Investment Policy

We continue to try to gain the most from our bank deposits while ensuring the cash flow needs of the charity are met. Currently there are deposits in interest bearing accounts of financial institutions with acceptable credit ratings.

Reserves Policy

The COVID pandemic and the challenging general economic situation means that a regular review of reserves is required. The trustees believe that it is appropriate to set a target closely approximating 6 months of normal expenditure to safeguard against the significant loss of current sources of income and to be in a position to retain key staff and develop new business opportunities. The Reserves Policy is reviewed on a 6-monthly basis. Applying this policy, the required level of reserves at the Balance Sheet date is computed to be £300,000 compared with total liquid reserves of £349,320.

Structure, Governance and Management

Governing Document

The Charity is organised under its Articles of Association approved in October 2006. By Special Resolution (July 2018) changes to the Articles have been approved and objects (b) and (c) have been deleted.

Management

A team of trustees appointed at the Charity's Annual General Meeting manages the Charity. All of the trustees provide their time free of charge. The Committee of trustees comprises the Chair, Treasurer, and general trustees. In 2020-21 one of the trustees resigned due to work commitments. A replacement was soon found so the composition of the Board continues to be 6 trustees. Meetings are held at least every 2 months and the Chief Executive Officer (CEO) is invited to attend Trustee meetings.

The CEO is employed by the Charity and manages the day-to-day running of the Charity on behalf of the trustees.

None of the trustees had a material interest in any contract of significance to which the Charity was party during the period of these accounts.

Policies

The Charity continues to review its policies and procedures and ensure it meets all health and safety requirements.

Trustees' Responsibilities in Relation to the Financial Statements

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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and: -

- Select suitable accounting policies and apply them consistently;
- 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 charitable company will continue on that basis.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 20th July 2022 and signed on their behalf by:



Leslie Macdonald
Chair of Trustees

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF READING MENCAP ON THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

I report on the financial statements of the Charity for the year ended 31 March 2022 set out on Pages 12 to 19.

This report is made solely to the Charitable Company's Trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the Charitable Company's Trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for my work or for this report, or for the opinions I have formed.

Respective Responsibilities of Trustees and Examiner

The Trustees are responsible for the preparation of the Financial Statements. The Trustees consider that an Audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5) (b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and

(ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act; have not been met; or

b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Accounts to be reached.

A handwritten signature in black ink, appearing to read 'John Mack', with a large, stylized initial 'J' and a long, sweeping horizontal stroke at the end.

John Mack FCCA

CF Limited

Certified Accountants and Taxation Consultants

20 Woods Road, Caversham, Reading, RG4 6NA

Dated: 20th July 2022

**READING MENCAP STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Note s	Unrestrict ed funds	Restrict ed funds	Total funds 2022	Total funds 2021
Income					
Donations		10,680		10,680	10,345
<u>Charitable activities</u>					
From public authorities			66,852	66,852	45,337
Grants		16,570	263,424	279,994	286,522
Fundraising events	2	9,619		9,619	1,027
Rental income		38,186		38,186	33,807
ME Day Service fees		165,264		165,264	177,754
<u>Other Income</u>					
Investment income	4	148		148	415
Membership subscriptions		645		645	540
Total income		241,112	330,276	571,388	555,747
Expenditure					
Raising funds	2	25,592		25,592	17,175
Charitable activities	6,7	227,566	258,557	486,123	411,269
Governance	5	8,340		8,340	8,460
Total expenditure		261,498	258,557	520,055	436,904
Net Income / (Expenditure)		(20,386)	71,719	51,333	118,843
Grants for Capital Expenditure		0	0	0	0
Net Movement in Funds		(20,386)	71,719	51,333	118,843
Reconciliation of Funds					
Total funds brought forward		177,468	141,293	318,761	199,918
Total Funds Carried Forward		157,082	213,012	370,0	318,7

READING MENCAP BALANCE SHEET AS AT 31 MARCH 2022

	Note s	2022	2021
FIXED ASSETS			
Tangible Assets	8	70,77 4	72,99 4
CURRENT ASSETS			
Debtors and Prepayments	9	29,93 2	13,54 9
Cash at Bank and in Hand	10	327,9 20 357,8 52	288,1 71 301,7 20
CREDITORS			
Amounts falling due within one year	11	8,532	5,953
Current assets less current liabilities		349,3 20	295,7 67
Total assets less current liabilities		420,0 94	368,7 61
CREDITORS			
Amounts falling due after more than 1 year	12	50,00 0 370, 094	50,00 0 318,7 61
REPRESENTED BY:			
Unrestricted funds		157,0 82	177,4 68 141,2
Restricted funds	3	213,0 12 370, 094	93 318,7 61

Approved by the Board of Trustees on the 20th July 2022 and signed on their behalf by



Leslie Macdonald (Chair)

Date: 20th July 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies

1.1 Accounting convention

The Financial Statements are prepared under the historical cost convention and in accordance with The Charities Act 2011 and comply with the Companies Act 2006.

The Financial Statements have been prepared in accordance with the "Accounting and Reporting by Charities: Statement of Recommended Practice."

1.2. Income

Income from donations and grants, including capital grants, is included in total income when these are receivable, except as follows:

- when donors specify that the donations and grants given to the charitable company must be used in future accounting periods, the income is deferred accordingly
- when donors impose conditions, which have to be fulfilled before the charitable company becomes entitled to such income, the income is deferred and is not included until the preconditions for use have been met.
- When donors specify that donations and grants, including capital grants, are for particular restricted purposes, this income is only included in incoming resources when the corresponding expenditure takes place.
- Grants received from HMRC under the Job Retention Scheme (Covid-19) are included in income.

1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal

or constructive obligation to pay for expenditure. All costs have been directly attributed

to one of the functional categories of expenditure in the Statement of Financial Activities. The charitable company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

- Raising funds represents the cost of community fundraising, bid writing, individual and legacy giving schemes, corporate partnerships and fundraising events.
- Charitable activities comprise activities undertaken to further the purposes of the charity.
- Governance costs represent the costs of the management of the charity and complying with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1.4 Depreciation

Equipment is capitalised when it has a useful life in excess of one year and costs over £500. Depreciation is calculated so as to write-off the cost of an asset, less its residual value over the useful economic life of the asset as follows: -

Freehold property	Over 50 years on straight-line method
Furniture	Over 10 years on straight-line method
Office Equipment	Over 4 years on straight-line method
Play Equipment	Over 5 years on straight-line method
Motor Vehicles	25% reducing balance basis

1.5 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

1.6 Fund Accounting

Funds held by the charitable company are either: -

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charitable company.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.7 Pensions

Reading Mencap operates a workplace pension scheme for employees. This scheme was introduced in February 2016 and has been set up with the National Employment Savings Trust (NEST). The minimum contribution for qualifying employees in the year was 8% (2020/21: 8%) in total of which the Charity contributed 3% (2020/21: 3%).

2. Income from fundraising events

	2022	2021
Net Income	9,619	1,027

The “Are You Listening” music festival, an important fund-raising event for the Charity, was able to resume in October 2021 after the lifting of Covid restrictions. This contributed income of £6,500.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

4. Investment Income

	2022	2021
Bank interest	148	415
	148	415

5. Governance costs

	2022	2021
Accountancy fees	8,340	8,460
	8,340	8,460

6. Charitable Activities Costs

	2022	2022	2022	2021
	Direct costs	Support costs	Total	Total
ME Day Service	155,726	88,860	244,586	204,730
Family Support Service	120,767	68,910	189,677	158,119
Social Inclusion	33,019	18,841	51,860	48,420
	309,512	176,611	486,123	411,269

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

7. Staff Costs

	Note	£ 2022	£ 2021
Total staff costs were as follows			
		389,62	
Wages and salaries		4	355,601
Social security costs		24,468	18,554
Pension contributions	1.7	6,588	5,209
Total		420,680	379,364

The average number of employees during the year was as follows

	2022	2021
Office management	5	5
Fundraising	2	2
Support workers	22	23
Total	29	30

There were no trustees' expenses paid or remuneration for the year or for 2021.

8. Tangible Assets

	Land & Buildings	Equipment & Furniture	Play Equipme nt	Motor Vehicle	Total
Cost					
At 1 April 2021	104,396	22,284	937	15,645	143,262
Additions	-	-	-	-	-
Grants received	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 March 2022	104,396	22,284	937	15,645	143,262
Depreciation					
At 1 April 2021	31,402	22,284	937	15,645	70,268
Charge for the year	2,220	-	-	-	2,220
Disposals	-	-	-	-	-
As at 31 March 2022	33,622	22,284	937	15,645	72,488
Net Book Value					
At 31 March 2022	70,774	-	-	-	70,774
At 31 March 2021	72,994	-	-	-	72,994

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

9. Debtors and Prepayments

	2022	2021
	25,93	
Debtors	9	12,089
Prepayments	3,993	1,460
	29,93	13,54
	2	9

10 Cash at bank and in hand

	2022	2021
	34,95	
HSBC current account	8	80,407
	200,0	
HSBC deposit account	00	30,000
NSI Income Bond	2,000	2,000
		174,97
Virgin Money savings account	90,104	4
Petty cash	858	790
	327,9	288,1
	20	71

11 Amounts falling due within one year

	2022	2021
Trade creditors and accruals	8,532	5,953
	8,532	5,953

12 Amounts falling due after more than one year

	2022	2021
Loan from Reading Borough Council	50,00	
	0	50,000
	50,00	50,00
	0	0

This is an interest free loan repayable upon the sale of the freehold property.

13 Cashflow statement

	2022	2021
Bank opening balance	288,1	153,62
	71	0

Net income for the year	51,333	118,843
Debtors (increase)/decrease	(16,383)	15,615
Creditors increase/(decrease)	2,579	(2,777)
Depreciation	2,220	2,870
	327,920	288,171
Bank closing balance		