

COMPANY NUMBER: 06368719
CHARITY NUMBER: 1122298

BISHOP'S STORTFORD MENCAP

TRUSTEES REPORT AND FINANCIAL STATEMENTS FOR PERIOD ENDED 31 AUGUST 2020



BISHOP'S STORTFORD MENCAP
151 LONDON ROAD
BISHOP'S STORTFORD
HERTS
CM23 3JX

TRUSTEES AND DIRECTORS: MR KEVIN DAVIS
MR PATRICK DRAPER (RESIGNED 16 MARCH 2020)
MR RICHARD SMITH
MR DUNCAN MURDOCH
MS TRACY FISHER
MRS AMY DREW
MR STEPHEN DOWNING
MR DANIEL WRIGHT
MR CHRISTOPHER THORN (APPOINTED 11 NOVEMBER 2019)

COMPANY NUMBER: 06368719

CHARITY NUMBER: 1122298

OPERATIONAL NAME: GROVE COTTAGE

BANKERS BARCLAYS BANK
10 NORTH STREET
BISHOP'S STORTFORD
HERTS
CM23 2LH

SOLICITORS TEES LAW
TEES HOUSE
95 LONDON ROAD
BISHOP'S STORTFORD
HERTS
CM23 2GW

INDEPENDENT EXAMINER PRICE BAILEY LLP
CAUSEWAY HOUSE
1 DANE STREET
BISHOP'S STORTFORD
HERTS
CM23 3BT

BISHOP'S STORTFORD MENCAP
151 LONDON ROAD
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Bishop's Stortford Mencap Trustees' Report for Period End 31 August 2020

The Trustees of Bishop's Stortford Mencap ("Grove Cottage") present their Trustees' Report for Financial period ended 31 August 2020.

Governing Document

The Charity is a Company Limited by Guarantee, incorporated on 12 September 2007 and is a Registered Charity Number 122298). The Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association. The Charity which is affiliated to the Royal Mencap Society (RMS), was formed in or around 1966. However, it receives no funding from RMS. It has been on the current site in London Road, Bishop's Stortford since 1972.

Trustees' Responsibilities

The trustees (who are also directors of Bishop's Stortford Mencap for the purposes of company law) are responsible for preparing the Trustees' Annual 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Trustees and Directors

During the period under review i.e. September 2019 until August 2020 the following changes occurred.

Recruitment and Appointment of Board Members

The Board recruits new Trustees in order to maintain a wide range of skills to maximise the contribution of the Board towards to the goals of the Charity. The training of Trustees is under constant review to ensure that they are familiar with current thinking and legislative changes. Each Trustee is responsible for a different area of business of the charity (depending on their personal skills and expertise) and in addition have a responsibility for a specific club or activity within Grove Cottage for which they report back to the Board on a regular basis. It is the policy of the Board that a Trustee who has a responsibility for a club or activity visits at least once a term.

Bishop's Stortford Mencap Trustees' Report for Period End 31 August 2020

In March 2020, Mr Patrick Draper left the Board of Trustees, Patrick had been a Board member for 9 years and brought his vast experience in Education to Grove Cottage, Patrick was a great source of wisdom and guidance for the Trustees that was always delivered with both gravitas and good humour. On behalf of the Board of Trustees and all of the Grove Cottage family we give our heartfelt thanks for his invaluable contribution.

The Board of Trustees also owes a debt of gratitude to Dr Alec Clarke, who is currently the Director of Education and Skills at the St Elizabeth's Centre in Much Hadham, for his invaluable advice during the Covid pandemic.

Management and Staffing

Grove Cottage has approximately 38 full and part time staff and numerous incredibly valuable volunteers. During the period under review Ms Rosie Wren, our Fundraising Manager, left to join the Farleigh Hospice, an organisation close to her heart. Rosie made a fantastic difference to Grove Cottage along with her team raising many thousands of pounds. On behalf of all of her friends at Grove Cottage I would like to thank her for her tireless efforts.

Risk Management

The Board reviews the major risks to which the Charity is exposed. External legal risks are addressed by insurance. Internal risks are minimised by means of regular and documented financial and operational reviews, as well as the implementation of clear reporting lines between the managers and staff and the Management Team and the Board of Trustees.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. We confirm that all solicitations are managed internally, without involvement of commercial participators, professional fundraisers or third parties. The day-to-day management of all income generation is delegated to the Fundraising Manager at Bishop's Stortford Mencap. Although the Charity is not required to be bound by any regulatory scheme, the Charity complies with the relevant codes of practice. We have received no complaints in relation to fundraising activities (2019: none).

Mission and Activities

Grove Cottage 'the home of Bishop's Stortford Mencap' under the period of review continued to support approximately 200 members and their families. Grove Cottage continues to support both families and individuals in the Hertfordshire and Essex area. Structured in a club format, we provide life-long care for beneficiaries all of which have some form of learning difficulty. The club activities allow the personal and social development of our members and provide a welcome respite for families and carers. Grove Cottage also provides interventions of other kinds with the aim of improving and enriching the lives of our members.

"J loves attending Performing Arts group and the staff and other members have made him feel welcome from the start. Just wish he could come more often!"



Bishop's Stortford Mencap Trustees' Report for Period End 31 August 2020

Currently Grove Cottage operates a Special Needs Nursery, a Speech and Language Therapy service, Grove Cottage @ The Thirst Cafe and a range of clubs that are listed below

Performing Arts

Youth Club

Adult Club (Wednesday)

Adult Club (Thursday)

Saturday Club - Small Play

Saturday Club - Big Play

Saturday Club - Cottage Crew

Holiday Clubs

Get Active Club

Cottage Creates Art Club

Life Skills

All the clubs are thriving and most are at, or near, capacity.



"A loves Grove Cottage, meeting with friends and all the staff who are always supportive and full of fun. Her favourite activities are baking, creative crafts and trips. She always feels safe and welcome and the opportunity to mix with friends of different abilities is a great advantage."

"She celebrated her 21st birthday during the first Covid-19 lockdown and I was worried about making this a special day to remember. Yet again Grove Cottage staff stepped in to bring some friends together on a video call to make her day".

Financial Review

Bishop Stortford Mencap's income in the financial year was £601,108 (2019: £414,598). Expenditure in the year was £419,311 (2019: £378,889). This resulted in a surplus for the year of £181,797 (2019: £35,709).

The financial results reflect the ongoing changes in Grove Cottage as we seek to deliver and grow services for members and their families. The Board have decided to maintain the designated property reserve at £229,500 as we have now received formal planning permission to redevelop our existing site. It is our intention to start a fundraising campaign to help fund this and therefore we will be looking to grow this reserve further. This will enable us to meet the increasing needs of our members and to offer new clubs and opportunities, notably daytime activities for our adult members.

We continue to be indebted to our local community for a significant amount of our income; to those who generously gave their time organising or attending our fundraising events throughout the year, as well as those who approached us with generous donations. We would like to give a special mention to the work and impact of our many wonderful volunteers, without whom we simply could not operate.

Our good working relationships with Trusts and Foundations, grant-making organisations and community groups has generated a substantial proportion of our income and we continue to be grateful for their support.

Going Concern

Like many charities, we have been impacted by coronavirus which has disrupted our service delivery and our normal calendar of fundraising events. With strong reserves and access to government assistance we are confident that the charity has sufficient resources to see us through the pandemic and to be able to fully resume services when it is safe to do so. The charity believes it is financially viable for the next 12 months, even with the pressures of the current pandemic.



"P has attended Grove Cottage since he was 18 months old. As a family the respite care has been priceless. We are happy knowing P is cared for well so we can relax."

Significant Donations, Grants and Restricted Income

During the year Grove Cottage was the beneficiary of many generous donations and grants, some of which came with restrictions attached. £171,119 is restricted income, of which £88,949 was restricted exclusively for running costs relating to our Special Needs Nursery and £25,000 restricted for the running costs of Grove @ Thirst Cafe.

We would like to thank all of our supporters who have helped to make a real difference to Grove Cottage and our community. We are appreciative of all donations, small and large. With particular thanks to the following grant-making organisations, community groups and individuals for their generosity:

Aurora Metropolitan Grand Lodge of London
Bishop's Stortford Town Council
Children in Need
Co-op Local Community Fund
David Warburton - Marshgate Developments
Eastern Counties Educational Trust Ltd
Ernest Hecht Charitable Foundation
Garfield Weston Foundation
Grumpy Givers, Whittles Family trust
Hertfordshire Community Foundation
Michael and Hannah Shine
Simon Gibson Charitable Trust
St Michael's Church
The Archer Trust
The Austin & Hope Pilkington Trust
The Brazier Trust
The Henry Smith Charity
The National Lottery Community Fund
Woodroffe Benton Foundation

Thank you.



"I was diagnosed with autism at the age of 7 years and also have learning difficulties. I struggle to read and write and rely on friends, family and Grove Cottage to help me day-to-day. Grove Cottage has given me a purpose in life and has been a lifeline, especially this year. The staff know how isolating it is and have been in contact with me,

which also supports my family. Before COVID I enjoyed the sessions provided by Grove Cottage and volunteered in the nursery. I like mixing with the staff and children. I would be lost without Grove Cottage and I can't wait until things go back to normal so I can see everyone again."

Reserves Policy

Our aim for the next twelve months is to continue to strive for a balanced budget and to develop our plans for meeting our growing property requirements. At the year-end, Bishop's Stortford Mencap has unrestricted reserves of £597,774 (2019: £416,235) which is made up of:

	2020	2019
Designated funds	£229,500	£229,500
Unrestricted fixed assets funds	£175,599	£169,179
Unrestricted general funds	£192,675	£17,556
Total	£597,774	£416,235

Restricted funds at the year-end totalled £77,606 (2019: £77,348). It is the Board's intention to maintain 6 months of projected expenditure as a contingency fund to facilitate sensible management of cash-flow as well as conservatively setting aside monies in the remote chance that the Charity would need to be wound down. This equates to £186,000.

We are not planning any significant refurbishments to the building this year. The cost of any unplanned improvements will be paid for out of reserves or with a sourced capital grant.

Achievements and Performance

The period under review has been full of challenges for everyone associated with the running of Grove Cottage and in particular our members and their families. The Covid pandemic meant that face to face services were suspended for a significant part of the year. However, I would like to pay tribute to the efforts of the Trustees, staff and volunteers who reacted in a positive manner by delivering services in alternative formats. These included 'walk and talk' sessions, club meetings over zoom and face-to-face sessions in the Grove Cottage Garden and the Grove @ Thirst Cafe. Our staff and volunteers also worked tirelessly during lockdown to maintain contact with some of our most vulnerable members by socially distanced home visits, phone contact and Zoom meetings where possible.

In the time prior to Covid and lockdown we delivered our services at the usual high standard and we were particularly pleased to have re-started our Life Skills sessions at the Thirst Café under the leadership of Kathryn Kehoe and to have secured funding so that Grove Cottage will soon be the Hertfordshire base for the inspirational 'Music Man' Project.

Grove Cottage has maintained a stable financial position during the period under review and has maintained an excellent level of service despite the challenges resulting from the pandemic. The charity continues to be indebted to our dedicated staff and volunteers who continually go the extra mile to care for our members and provide a stimulating environment changing the lives of so many. We are also indebted to the local community who are so supportive of our work.



"My daughter has been coming to Grove Cottage for 11 years. Grove Cottage has been a lifeline for her. She has always been incredibly independent and likes the feeling of being able to do things by herself, as she sees her brother doing. Being able to go to Grove Cottage gives her this opportunity to feel independent from us. She thoroughly enjoys ringing the bell and being able to go inside to join in with all the activities. It gives her the chance to make friends in her own right. It is always such a relief to us that we know she will be safe and well cared for whilst also allowing us some respite. Everyone at Grove Cottage also has the most welcoming smile and it's fantastic to be part of such a wonderful community."

Strategic Objectives and Plans for the Future

In 2019 the Board of Trustees met over a two-day period to review the strategic objectives which had guided the organisation since 2014.

The strategic review in 2019 focussed on identifying areas where Grove Cottage needed to develop.

The areas identified were as follows:

- 1) Communication and technology
- 2) Financial sustainability
- 3) Information management
- 4) People
- 5) Premises
- 6) Review of Offer

There has been a range of specific short, medium and long-term goals set along within a timeframe for each objective, with work stream 'owners' identified to guide delivery.

As a charity, we have improved the provision of IT within the building having appointed a single contractor. Our financial situation is stable managed by a finance committee and we currently hold appropriate reserves. We have continued to adhere strictly to the relevant information legislation and have dedicated staff to manage our 'eTapestry' database.

As a Board of Trustees, we have been keen to invest in staff training and development and value tremendously the contribution of our staff members. We have as an organisation a high level of staff retention. The 'review of offer' is an important element to the success of our charity and during the lockdown period we have begun a review of the services we provide to ensure they are relevant to the needs of our members and their families; this work is ongoing and being led by our Operations Manager.

The overriding conclusion of the strategic review was the need for a new building. Having submitted planning permission application in 2019 we received the good news that our submission had been approved in March 2020. Since then, the Board of Trustees has been working hard to develop a structure to cater for fundraising, building construction and continuity planning. I am pleased to say that regardless of the restrictions placed upon our activity we have made particularly good progress in finessing the needs of Grove Cottage and the wider community as a precursor before we approach major grant-making organisations, some of which we have already begun to foster good relationships with.

Feedback survey results:

Grove Cottage asks members, families and carers to complete twice-yearly feedback surveys to enable us to monitor and evaluate our service provision.

In our most recent survey, our members and their families told us that they found lockdown difficult because of the loss of routine and face-to-face social contact. However, they also said that our activities help our members to meet and make friends, and parents can see an improvement in their children's confidence and independence levels. 100% of respondents said that they would recommend to a friend, and 100% rated our overall service as "Excellent" or "Good".

A number of people taking part in the survey reported that they found it difficult to book certain sessions because they were at full capacity, and they also highlighted that our current building is outdated. This reflects the feedback we collected from a range of stakeholders in our 'Big Build Community Consultation'; our building is not fully accessible and does not enable us to fully meet our members' needs. Respondents said that they valued the services currently delivered by Grove Cottage and identified potential areas for growth in the future. There was a desire for more out of school activities for children, day-time services for adults and more support and respite for families.

96% respondents supported a total rebuild of our premises if it brought about the changes above.



Approved by the Board of Trustees on 24th May 2021 and signed on its behalf:

A handwritten signature in black ink, appearing to be 'Richard Smith', written over a horizontal line.

Richard Smith
Trustee



"I've been working at Grove Cottage for five years and I can't think of another job I'd rather do. It's such a unique place to work where every day is different. Seeing our members grow and develop through play and social interaction is truly rewarding. Whenever I am at work my brother Zac, who has attended Grove Cottage clubs for over 10 years, is always in my mind when it comes to the quality of care I provide. I work with a team of people with similar experiences, which creates an enjoyable and caring environment for staff and our members alike. As a staff member I feel my opinion is listened to, I feel valued and respected and I've taken up opportunities to gain qualifications and training. I always feel so proud to put on my purple polo top and work with the incredible Grove Cottage."

Independent Examiner's Report to the Trustees of Bishop's Stortford Mencap

I report to the Trustees on my examination of the accounts of Bishop's Stortford Mencap ("the Company or the Charity") for the period ended 31 August 2020.

Responsibilities and basis of report

As the Charity Trustees of the Company (and also its Directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your Examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not
4. a matter considered as part of an independent examination; or
5. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this Report in order to enable a proper understanding of the accounts to be reached.



Michael Cooper-Davis FCCA ACA
For and on behalf of Price Bailey LLP
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire, CM23 3BT

Date: 25 May 2021

BISHOP'S STORTFORD MENCAP
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
FOR THE PERIOD ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Note				
INCOME:					
Donations and legacies	2	184,164	27,549	211,713	87,153
Other trading activities	3	64,637	-	64,637	92,576
Charitable activities	4	179,866	143,570	323,436	233,674
Investments	5	1,322	-	1,322	1,195
TOTAL INCOME		429,989	171,119	601,108	414,598
EXPENDITURE:					
Raising funds	6	17,995	241	18,236	72,228
Charitable activities	7	229,691	171,384	401,075	306,660
TOTAL RESOURCES EXPENDED		247,686	171,625	419,311	378,889
NET INCOME / (EXPENDITURE)		182,303	(506)	181,797	35,709
Transfers between funds		(764)	764	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		181,539	258	181,797	35,709
RECONCILIATION OF FUNDS					
Total funds brought forward		416,235	77,348	493,583	457,874
TOTAL FUNDS CARRIED FORWARD		597,774	77,606	675,380	493,583

The notes on page 17 to 31 form part of these financial statements.

BISHOP'S STORTFORD MENCAP
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06368719

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	£	2020 £	2019 £
FIXED ASSETS				
Tangible assets	12		196,003	209,719
CURRENT ASSETS				
Cash at bank		484,740	291,231	
Gift aid	13	1,183	4,369	
Debtors	13	275	3,484	
		<u>486,198</u>	<u>299,084</u>	
CREDITORS: amount falling due within one year	14	6,821	15,220	
		<u>479,377</u>	<u>283,864</u>	
NET CURRENT ASSETS			479,377	283,864
NET ASSETS			<u>675,380</u>	<u>493,583</u>
CHARITY FUNDS				
Designated funds	15		229,500	229,500
Unrestricted fixed assets funds	15		175,559	169,179
Unrestricted general funds	15		192,675	17,556
Restricted funds	15		77,606	77,348
			<u>675,380</u>	<u>493,583</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.



Richard Smith
Treasurer and Trustee
Approved by the Board on 24th May 2021

The notes on pages 17 to 31 form part of these financial statements.

BISHOP'S STORTFORD MENCAP
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2020

	2020	2019
	£	£
Net cash inflow/(outflow) from operating activities:		
Net movement in funds	181,797	35,709
Adjustments for:		
Depreciation of tangible fixed assets	13,716	13,716
Interest from investments	(1,322)	(1,195)
Decrease/(increase) in debtors	6,395	(4,662)
(Decrease)/increase in creditors	(8,399)	4,696
	<hr/>	<hr/>
Net inflow/(outflow) from operating activities	192,187	48,264
	<hr/>	<hr/>
Cash flows from investing activities:		
Interest from investments	1,322	1,195
	<hr/>	<hr/>
Net cash used in investing activities	1,322	1,195
	<hr/>	<hr/>
Cash flows from financial activities:	-	-
	<hr/>	<hr/>
(Decrease)/increase in cash in the year	193,509	49,459
Cash brought forward at 1 September	291,231	241,772
	<hr/>	<hr/>
Cash carried forward at 31 August	484,740	291,231
	<hr/>	<hr/>

The accompanying accounting policies and notes on pages 17 to 31 form an integral part of these financial statements. A net debt reconciliation for the statement of cash flows is disclosed in note 17.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2019) and the Companies Act 2006.

Bishop's Stortford Mencap meets the definition of a public benefit entity under FRS 102. Assets and liabilities recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. A detailed commentary on its impact is detailed in the Trustees' Report on page 6.

1.3 Company status

The Charity is a company limited by guarantee. The Members of the Company are listed below. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Charity.

Members: Betty Slater, Mary Huxtable, Gwen Cooke, Natalie Trapmore, Nell Turfkruyer, Esther Callaghan, Jackie Parker, Susan Parker, Margaret Upton, Esme Willcocks, Andrea Charity, Kevin Davis*, Richard Smith*, Patrick Draper*, Phil Morgan, Duncan Murdoch*, Tracy Fisher*, Chris Thorn*, Daniel Wright*, Stephen Downing*

** Denotes Trustee*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Investment income, gains and losses are allocated to the appropriate fund.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.5 Income

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grant income is recognised when there is a firm commitment and certainty that the funds will be received.

Income tax recoverable in relation to donations received under gift aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles – 5 years on a straight line basis

Freehold property is considered to have a very long useful economic life and the expected residual value of the asset is not considered to be materially different from its carrying value; as a result depreciation is not considered to be material and therefore has not been charged in the year.

1.8 Gifts in kind

Where services are provided to the Charity as a donation, the contribution is included in the financial statements at an estimate based on the value of the contribution to the Charity.

1.9 Pension Costs

The Charity operates a defined contribution pension scheme for employees. These assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged to the statement of financial activities.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

1.11 Cash at bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing from any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

1.13 Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date. All financial instruments of the charity are measured at cost.

Financial assets include the bank balances, trade debtors and other debtors but exclude prepayments and taxation.

Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

1.14 Key Source of Judgement and Estimate Uncertainty

No significant judgements, accounting policies or assumptions have been made by management in applying the charity's accounting policies.

BISHOP'S STORTFORD MENCAP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

2. DONATIONS AND LEGACIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	184,164	27,549	211,713	87,153
	<hr/>	<hr/>	<hr/>	<hr/>
	184,164	27,549	211,713	87,153
	<hr/>	<hr/>	<hr/>	<hr/>

Income from donations and legacies in 2019 was £56,396 of unrestricted income and £30,757 of restricted income.

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Events and activities	64,637	-	64,637	92,576
	<hr/>	<hr/>	<hr/>	<hr/>
Net income from trading activities	64,637	-	64,637	92,576
	<hr/>	<hr/>	<hr/>	<hr/>

Income from other trading activities in 2019 of £92,576 was all unrestricted income.

BISHOP'S STORTFORD MENCAP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Clubs	19,372	202	19,574	38,407
Special Needs Nursery	-	3,253	3,253	4,654
Speech and language therapy	8,280	-	8,280	14,160
Member subscriptions	-	-	-	-
Grants	147,824	140,115	287,939	171,119
Thirst	4,390	-	4,390	5,334
	<u>179,866</u>	<u>143,570</u>	<u>323,436</u>	<u>233,674</u>

Income from charitable activities in 2019 included £120,143 of unrestricted income and £113,531 of restricted income.

5. INVESTMENT INCOME

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	1,322	-	1,322	1,195
	<u>1,322</u>	<u>-</u>	<u>1,322</u>	<u>1,195</u>

All of the investment income in 2019 was unrestricted.

6. RAISING FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Events and fundraising	17,995	241	18,236	72,228
	<u>17,995</u>	<u>241</u>	<u>18,236</u>	<u>72,228</u>

Cost of raising funds in 2019 was all unrestricted income.

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NOTES TO THE FINANCIAL STATEMENTS
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7. EXPENDITURE BY CHARITABLE ACTIVITY

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Clubs	14,628	41,393	56,021	58,435
Special Needs Nursery	13,874	94,293	108,167	82,121
Speech and language therapy	13,233	6,882	20,115	20,965
Grove Cottage @Thirst Café	1,875	14,371	16,246	18,709
Direct support costs (note 8)	186,080	14,446	200,526	126,430
Total	229,691	171,384	401,075	306,660

Expenditure on charitable activities in 2019 included £155,903 of unrestricted expenditure and £150,757 of restricted expenditure.

8. SUPPORT COSTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Staff costs	119,592	-	119,592	62,274
Equipment and repairs	11,900	-	11,900	8,347
Insurance	4,108	-	4,108	4,034
Occupancy costs	4,448	-	4,448	4,304
Motor vehicle costs (including depreciation)	2,007	13,716	15,723	15,749
Miscellaneous	33,279	480	33,759	23,649
Governance (see note 9)	10,746	250	10,996	8,073
	186,080	14,446	200,526	126,430

Support costs in 2019 included £110,714 of unrestricted expenditure and £15,716 of restricted expenditure.

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NOTES TO THE FINANCIAL STATEMENTS
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9. GOVERNANCE COSTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Legal and professional fees	10,746	250	10,996	8,073

Governance costs in 2019 was all unrestricted income.

10. NET INCOME / (EXPENDITURE)

This is stated after charging

	2020 £	2019 £
Depreciation of tangible fixed assets:		
- Owned by the Charity	13,716	13,716
Independent examiner's fee	1,620	1,620

During the year, no Trustees received any benefits in kind (2019 - £NIL).

During the year, a Trustee received £NIL (2019 - £30) relating to reimbursement of expenses.

There were no other related party transactions (2019 – £NIL).

11. STAFF COSTS

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	294,547	271,840
Social security	6,968	6,940
Employers pension contributions	3,134	2,823
	304,649	281,603

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

	2020	2019
	No.	No.
Administration	4	4
Fundraising	4	4
Front line services	30	28
	<u>38</u>	<u>36</u>

No employee received remuneration amounting to more than £60,000 in either year (2019 – 0).

The Charity considers its key management personnel to comprise the Trustees as listed on the information page. No key management personnel received benefits in the year (2019 – Nil).

12. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Total £
Cost			
At 1 September 2019	168,000	68,580	236,580
Additions	-	-	-
Disposals	-	-	-
	<u>168,000</u>	<u>68,580</u>	<u>236,580</u>
At 31 August 2020	168,000	68,580	236,580
	<u>168,000</u>	<u>68,580</u>	<u>236,580</u>
Depreciation			
At 1 September 2019	-	26,861	26,861
Charge for the year	-	13,716	13,716
Depreciation on disposal	-	-	-
	<u>-</u>	<u>40,577</u>	<u>40,577</u>
At 31 August 2020	-	40,577	40,577
	<u>-</u>	<u>40,577</u>	<u>40,577</u>
Net book value			
At 31 August 2020	168,000	28,003	196,003
	<u>168,000</u>	<u>28,003</u>	<u>196,003</u>
At 1 September 2019	168,000	41,719	209,719
	<u>168,000</u>	<u>41,719</u>	<u>209,719</u>

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NOTES TO THE FINANCIAL STATEMENTS
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13. DEBTORS

Due within one year

	2020 £	2019 £
Prepayments and accrued income	-	1,697
Other debtors	1,183	4,369
Debtors control account	275	1,787
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	1,458	7,853
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14. CREDITORS

Amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	2,026	11,033
Creditors control account	2,415	1,330
PAYE and net wages	1,771	2,361
Other creditors	609	496
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	6,821	15,220
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BISHOP'S STORTFORD MENCAP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

15. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
<i>Restricted funds</i>					
Nursery	-	88,949	(75,839)	764	13,874
Saturday Clubs	-	15,000	(7,411)	-	7,589
Grove Cottage @ Thirst Cafe	14,212	25,000	(16,499)	-	22,713
Wednesday Adult Club	105	95	(95)	-	105
Get Active	1,860	-	(1,860)	-	-
SLT Salaries	1,712	-	(1,712)	-	-
Easyjet Sing and Sign	250	-	(250)	-	-
Evening Clubs	8,100	-	(8,100)	-	-
Day trips for Nursery	205	2,405	(846)	-	1,764
Big Play	1,011	-	(1,011)	-	-
Clubs for Young People	200	-	(200)	-	-
Holiday Clubs	9,153	-	(9,153)	-	-
Thursday Adult Club	-	50	(50)	-	-
Nursery	-	18,050	(18,050)	-	-
SLT	-	6,250	(6,250)	-	-
Get Active	-	4,990	(1,652)	-	3,338
Youth Volunteering	-	4,770	(2,012)	-	2,758
Children's Services	-	500	(500)	-	-
Music Man Project	-	5,060	-	-	5,060
Minibus	40,540	-	(20,136)	-	20,404
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	77,348	171,119	(171,625)	764	77,606
Designated funds - property	229,500	-	-	-	229,500
General funds	186,735	429,989	(247,686)	(764)	368,274
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Total funds	493,583	601,108	(419,311)	-	675,380
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

15. STATEMENT OF FUNDS CONTINUED

Unrestricted funds

Included within unrestricted general funds are fixed assets of £175,599, leaving free reserves of £192,675.

Restricted funds

During the year, Grove Cottage was the beneficiary of many general donations.

Some grants and donations were specific in terms of what they were to be spent on, including:

BBC Children In Need - Large Grant	£18,050
BBC Children In Need - Small Grant	£15,000
Bishop's Stortford Town Council	£2,530
Charity at Chubb	£500
Co-op Community Fund	£2,405
Eastern Counties Educational Trust	£6,250
Hertfordshire Community Foundation - #iwill Programme	£4,770
Hertfordshire Community Foundation - Large Grant	£4,990
Hertfordshire County Council Locality Budget Scheme	£750
David Warburton – Marshgate Developments - donation	£25,000
I Aslan	£520
The Brazier Trust	£2,530
The National Lottery Community Fund	£20,000

We are very grateful to all of the above for their generosity which has enabled us to offer our wide range of services to our beneficiaries.

Purpose of designated funds

Property Fund

The Trustees have designated funds to pay for a future redevelopment of the current site or a move to new premises.

Transfers

A small transfer to the Nursery fund was made during the year from unrestricted funds. In the prior year a large transfer was made from unrestricted funds to designated funds for the future redevelopment and to the Nursery fund to cover costs.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2020

16. PRIOR YEAR'S STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
<i>Restricted funds</i>					
Nursery	1,050	60,306	(82,121)	20,765	-
Defibrillator	6	-	-	(6)	-
Saturday Clubs	-	10,000	(10,000)	-	-
Grove Cottage @Thirst Cafe	5,000	29,880	(20,668)	-	14,212
Wednesday Adult Club	-	175	(70)	-	105
Speech and Language	496	4,958	(5,454)	-	-
Volunteer Co-ordinator	750	-	(750)	-	-
Performing Arts	1,500	-	(1,500)	-	-
Get Active	-	1,650	(1,650)	-	-
Website Development	-	2,000	(2,000)	-	-
Evening clubs	-	7,582	(7,582)	-	-
Get Active	-	2,000	(140)	-	1,860
SLT Salaries	-	5,000	(3,288)	-	1,712
Easyjet Sing and Sign	-	250	-	-	250
Evening Clubs	-	8,100	-	-	8,100
Tesco Bags of Help	-	1,000	(1,000)	-	-
Day trips for Nursery	-	607	(402)	-	205
Big Play	-	1,427	(416)	-	1,011
Children's Clubs	-	200	-	-	200
Holiday Clubs	-	9,153	-	-	9,153
Minibus	54,256	-	(13,716)	-	40,540
	63,058	144,288	(150,757)	20,759	77,348
Designated funds - property	125,000	4,500	-	100,000	229,500
General funds	269,816	265,810	(228,132)	(120,759)	186,735
Total funds	457,874	414,598	(378,889)	-	493,583

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NOTES TO THE FINANCIAL STATEMENTS
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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Designated funds 2020 £	Total funds 2020 £
Tangible fixed assets	175,599	20,404	-	196,003
Current assets	192,675	64,023	229,500	486,198
Creditors due within 1 year	-	(6,821)	-	(6,821)
Total	368,274	77,606	229,500	675,380

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Designated funds 2019 £	Total funds 2019 £
Tangible fixed assets	169,179	40,540	-	209,719
Current assets	17,556	52,028	229,500	299,084
Creditors due within 1 year	-	(15,220)	-	(15,220)
Total	186,735	77,348	229,500	493,583

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NOTES TO THE FINANCIAL STATEMENTS
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17. ANALYSIS OF CHANGES IN NET DEBT

This note refers to the cash flow note on page 16.

	Opening balance 2019 £	Cash flows £	Other non cash changes £	Closing balance 2020 £
Cash and cash equivalents	291,231	193,509	-	484,740
Total net debt	291,231	193,509	-	484,740