

EASTBOURNE AND DISTRICT MENCAP LIMITED

England & Wales · Charity number 1125686

Details

Status	Registered
Legal form	Charitable company
Company number	06182982
Registered	2008-09-02
Register	View on the Charity Commission register

Contact

Address	Greenfield Centre Greenfield Road Eastbourne East Sussex BN21 1JJ
Phone	01323722034
Email	finance@inspiresussex.org.uk
Website	www.inspiresussex.org.uk

Activities

Objects: 3.1 THE RELIEF OF PEOPLE WITH A LEARNING DISABILITY IN PARTICULAR BY THE PROVISION OF HELP AND SUPPORT FOR THEM AND FOR THEIR FAMILIES, DEPENDANTS AND CARERS, AND TO PREVENT LEARNING DISABILITIES FOR THE PUBLIC BENEFIT AND TO ADVANCE RELIGION AMONGST PERSONS WITH A LEARNING DISABILITY; AND 3.2 TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES FOR THE RECREATION OR OTHER LEISURE TIME OCCUPATION FOR PEOPLE WHO HAVE NEED THEREOF BY REASON OF LEARNING DISABILITY WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE. "LEARNING DISABILITY" MEANS ANY DEVELOPMENTAL DISABILITY OF THE MIND AND ANY ASSOCIATED CONDITION HOWSOEVER CAUSED AND WHETHER MILD, MODERATE OR SEVERE.

Activities: We provide help and support for people with a learning disability, their families, dependants and carers to enable those with a learning disability to live as full a life as their disability will allow. We support beneficiaries in our three residential care homes, supported living bungalow. We also have a day service

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Disability
- **Who:** People With Disabilities

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- East Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,868,119	£3,055,145	£2,426,965	92
2024-03-31	£3,191,772	£2,551,554	£2,613,990	86
2023-03-31	£24,502	£2,360,850	£1,973,772	74
2022-03-31	£2,068,712	£2,154,774	£2,117,613	74
2021-03-31	£323,293	£1,873,404	£2,203,675	79

Trustees

Name	Role	Appointed
Andrew Norwood		2018-09-11
Christine Ann Foley		2025-04-30
Michele Stubbs		2020-01-14
Miriam Thurstan		2018-09-11
linda Fennell		2021-02-10

EASTBOURNE AND DISTRICT MENCAP LIMITED

England & Wales - Charity number 1125686

Accounts

Charity registration number 1125686 (England and Wales)

Company registration number 06182982

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms M J Thurstan Mr A M Norwood Ms L Fennell Ms M S Stubbs Ms Christine Foley	(Appointed 30 April 2025)
Secretary	Ms M J Thurstan	
Senior management	Mrs N Harding	Chief Executive Officer
Charity number (England and Wales)	1125686	
Company number	06182982	
Registered office	Greenfield Centre Greenfield Road Eastbourne East Sussex England BN21 1JJ	
Auditor	James Todd and Co Limited Drayton House Drayton Lane Chichester West Sussex England PO20 2EW	

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
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EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objectives of Eastbourne & District Mencap Limited as defined in the Memorandum of Association are:

- The care of people with a learning disability in particular by the provision of help and support for them and their families, dependants and carers.
- To provide or assist in the provision of facilities for the recreation or other leisure time and occupation for people who have need thereof by reason of learning disability with the object of improving their conditions of life.

It is our aim to put service users at the centre of their own care and with a continued assessment and engagement we strive to provide fulfilling and rewarding lives. Our key aims and activities are:

- To ensure service users have the opportunity to be fully involved in the planning and delivery of their own care.
- To ensure service users rights to privacy, refusal, dignity and independence are respected to the highest regard.
- To actively encourage relatives and friends of service users to be involved in their lives.
- To continuously review, assess and promote a good quality of life.
- To work in partnership with outside agencies to ensure optimum care is delivered.
- To ensure there are evidence-based quality assurance systems in place to promote learning, change and improvement.
- To remain compliant with the latest legislation and Company policies.
- To ensure support practice is to the highest quality.
- To ensure support staff receive adequate training to fulfil their roles.
- To promote environments which are professional in service creating a homely atmosphere.
- To promote honesty, integrity and transparency.
- To offer comprehensive support and supervision and the opportunity to build careers within the Company through training, study and personal development plans.

Our key values for all service users are: individuality, equality, freedom and choice.

We provide services that offers compassion, dedication and commitment to deliver the highest standards of individual care and support with practices that are of the highest quality appropriate to the needs of each individual in our care.

We ensure that all care and support is consistently delivered and regularly reviewed to determine the optimum approach and strategy to support each individual's needs. All managers and teams receive regular training that is relevant and appropriate to deal with the demand and challenges of their roles in providing exceptional quality care and support.

We review our aims and activities annually looking at our achievements and the outcomes of our work in the previous 12 months. Our review looks at the success of each key activity with the benefits they have brought to those groups of individuals we are established to help. The review also ensures that we remain focussed on our stated objectives at all times and with reference to the Charity Commission's public benefit guidance our future activities are planned to enhance the welfare of our service users. We strongly believe in supporting and encouraging our service users to exercise their own beliefs, but we do not feel we can or should advance alternative beliefs.

Public benefit

The Executive Committee continue to focus on the public benefit guidance issued by the Charities Commission in deciding those strategies the charity takes in providing the care and support to our service users.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Services

Residential Care Homes

The charity provides three residential care homes in Eastbourne for individuals with learning and physical disabilities each of which are individually registered by the CQC. Individuals moving into one of our homes are assured that they can stay for as long as they wish as our policy continues to be that it is 'a home for life' subject to the care and support we are able to provide to them. All of the service users in our care homes are funded by the Adult Social Care sector: our total room space for the 3 homes is currently 30.

Day Care Services

The charity provides a day care centre in Eastbourne which provides a programme of workshops and activities for individuals with learning disability; this also provides respite for families and carers. The various activities are chosen by those who attend in order to support their needs to develop their interactions with other individuals and to integrate into society. This service is available for use by any individual within the community with a learning disability and is funded both by Adult Social Care and by the individual/family where funding is not available to them.

Achievements and performance

Significant activities and achievements against objectives

The financial year has provided mixed challenges alongside difficult economic and political outlook.

The company has undergone substantial investments to improve the provision of facilities to both service users and staff:

- completion of the refurbishment to our new day centre and head offices,
- extension to and refurbishment of our home at Greensleeves, Friday Street,

together these projects have cost over £400,000 a substantial figure for our Charity to have invested and the Trustees express thanks to all who have been involved in the successful completion of these two projects.

The financial statement and review summarise the financial challenges through the 12 months since the last report. The use of agency workers at a far higher staffing cost has had a significant impact on the finances and profitability in the year, recruiting replacements where staff have moved on to find new experiences and roles continues to be difficult with the time taken to find, employ and train suitable individuals into the role whilst continuing to staff with agency workers.

Unfortunately, two of our long-term service users passed away during the year and a third relocated to a new home, as a result 3 beds have been unoccupied for several weeks during the year with a sizeable loss of income impacting our results. Challenges have been had placing suitable individuals from the local authority who satisfy our core structure and funding models.

Our new day centre has gone from strength to strength throughout the year with constant increases in the number of service users on the register, most with funding from the ESCC the local authority. The Trustees are comforted that this constitutes a successful investment decision to relocate, the new environment has provided major benefits to service users and allowed an improvement in the activities provided.

The Charity continues to put significant efforts into fundraising but in a highly competitive environment finding the right support in our fundraising activities provided difficulties, a review of our fundraising strategy is ongoing, and the Trustees will actively engage to support fundraising activities for future projects.

The Trustees do continue to appreciate the support the Company receives from the public who have given donations and supported our fundraising activities and would like to put on record their gratitude for the loyal and dedicated support from all staff throughout the year and appreciate the time spent by employees who work outside their normal hours in support of the Charity.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Our future continues to depend on effective leadership and governance with sound financial management and as Trustees we will continue to ensure we get the basics right. 2025/26 will be a year of consolidation with a financial objective to move away from a deficit to a surplus and to improve the level of reserves following a year of investment. Significant financial pressures, along with all businesses in the UK, have been placed upon us with the government increases in National Insurance and the minimum wage. The ESCC uplift of adult social care fees for 2025/26 of 4% has not covered the increased staff costs of over 5%. We will therefore have continual constructive dialogue with ESCC to ensure awareness of the current level of pressures evident in the running of our services and the financial implications of funding below levels required to ensure we continue to satisfy the 'high care framework' required by our CQC registration. The local authority have confirmed a policy going forwards of placing individuals with higher dependency into services such as ours. This is a concern as it will impact our historic business model of homes that provide a residency for service users who are less dependent. The Trustees will have to prepare for the new challenges that this change in policy by ESCC will bring specifically in ensuring all our staff continue to satisfy service user needs and adequate funding is received.

Financial review

Results for the financial year 31 March 2025 are attached to this report.

A comparison to the 2023/24 financial year shows an uplift in turnover (excluding donations, interest and fundraising) of 11.45% to £2,847,624; unoccupied rooms cost approximately £85,000 in lost income for the year. ESCC uplifted adult social care fees for 2024/5 by 7% (well below the Government increase in the minimum wage of 10%) but successful efforts to obtain additional funding for specific service users has positively impacted turnover. Our staffing costs have risen during the year by £429,624, an uplift of 19.75% from 2023/24; the factors causing this rise are a 10% pay uplift to all staff, a reliance on agency staff for a sizeable part of the year and redundancy costs. Donations, interest and fundraising has contributed £20,495 additional income for the year.

After accounting for overheads the company reports a deficit of £129,928 before depreciation for the financial year.

Reserves policy

The purpose of the Company's reserves is to secure the future of our services and to fund projects that will improve the quality of life of our service users. The level of reserves is monitored and reviewed by the Executive Committee on an ongoing basis in considering the risks to our operations to:

- provide funds which can be designated for specific projects to enable these projects to be undertaken at short notice
- cover administration, fundraising and support costs without which the Company could not function
- cover the funds held as functional fixed assets without which the Company could not deliver adequate care to its residents and to avoid the necessity of realising fixed assets held for the Company's use.

Those funds held as functional fixed assets are designated and excluded from the calculation of reserves which recognises these assets are used operationally and their disposal would adversely impact on our ability to deliver care to our beneficiaries.

The level of free reserves required to achieve this amount had been approved by the Trustees at £300,000 which is the sum the Trustees consider necessary to cover ongoing costs if there is a delay in receiving funding from East Sussex County Council.

Total funds at the end of the year amounted to £2,426,965 of which £2,041,255 was designated. Of these designated funds £2,039,759 relate to assets which are required for the Company to carry out its operations and hence, are not available for distribution. The designated funds were established by the Company to designate funds for ongoing activities in these areas.

There were no restricted funds at the end of the year. Cash and Cash Equivalents have decreased from £767,726 to £324,633. Over the years, building maintenance has not sufficiently been carried out and therefore the Board have decided to look at using free reserves and/or borrowing, to improve the condition of our buildings.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Asset Cover for Funds

Note 25 sets out an analysis of the assets attributable to the various funds and a description of the trusts.

The Trustees are confident the Company has sufficient assets to meet the Company's obligations on a fund-by-fund basis.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the Company's funds are held on short term deposit.

Major risks

The Executive Committee has assessed the major risks to which the Company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The process of identifying, evaluating and managing the major risks to which the Company is exposed has continued throughout the year. Where any such weaknesses have been identified, appropriate systems or procedures have been established to mitigate risks the Company faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with all relevant legislation including health and safety, equal opportunities, service users' welfare, moving and handling, fire awareness, medication, food hygiene amongst others. An Internal Audit system is in place whereby the Chief Operating Officer carries out monthly checks to ensure policies, procedures and safeguarding issues are being correctly carried out and recorded.

The financial pressures from staffing costs will continue to have impact during the coming year as the Company continues to maintain the level of staffing which provide the high levels of care to safeguard our service users.

Our current focus moving forwards to manage risks are:

- Continued review of our main charitable objectives so they remain relevant and in tune with the founding principles, also ensuring they are achievable.
- Recruiting and retaining good quality staff to reduce the impact of agency costs.
- To always maximise our income streams with full occupancy and to work in consultation with ESCC to uplift service user fees to appropriate levels.
- To expand the depth, experience and number of Trustees, the Executive Committee actively seeks new people to join the Board as a key priority

Structure, governance and management

The Company is a charitable Company limited by guarantee incorporated on 26 March 2007 to take over the assets and liabilities of the unincorporated Eastbourne & District Mencap formed in 1949. The Memorandum and Articles of Association (revised in 2022) define the objects and powers of the Company.

The Company is governed by the Trustees who are non-executive directors for the purposes of Company law and under the Company's Articles are known as the Executive Committee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Mizen	(Resigned 27 November 2025)
Ms N E Trimmer	(Resigned 7 November 2024)
Ms M J Thurstan	
Mr A M Norwood	
Ms L Fennell	
Ms M S Stubbs	
Mr A P Taylor	(Resigned 18 June 2025)
Ms Christine Foley	(Appointed 30 April 2025)

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Recruitment and appointment of trustees

Under the Memorandum and Articles of Association the Executive Committee are appointed each year at the AGM by the membership in accordance with the Articles to hold office until the end of the next AGM. The membership is invited to nominate members for election.

The Trustees give their time voluntarily and receive no benefits from the Company, any expenses re claimed from the Company are set out in the notes to the accounts.

The Executive Committee meet a minimum of 4 times a year to administers the Charities operations with the day to day management is the function of the Chief Executive Officer and the senior management team.

In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Funds held as custodian trustee

The Company holds some monies on behalf of service users as custodian Trustees, these monies are not assets of the Company and therefore the cash balances and creditors have been eliminated from the accounts.

Statement of trustees' responsibilities

The trustees, who are also the directors of Eastbourne & District Mencap Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Auditor

In accordance with the company's articles, a resolution proposing that James Todd and Co Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

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



Mr A M Norwood
Trustee

Date: 28/11/25



Ms L Fennell
Trustee

10/12/25

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Opinion

We have audited the financial statements of Eastbourne & District Mencap Limited (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EASTBOURNE & DISTRICT MENCAP LIMITED

T/A INSPIRE SUSSEX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Oliver Read FCCA ACA (Senior Statutory Auditor)

For and on behalf of James Todd and Co Limited, Statutory Auditor
Chartered Accountants
Drayton House
Drayton Lane
Chichester
West Sussex
PO20 2EW
England
Date:

James Todd and Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds general	Unrestricted funds designated fund	Total	Unrestricted funds general	Unrestricted funds designated fund	Restricted funds	Total
		2025	2025	2025	2024	2024	2024	2024
		£	£	£	£	£	£	£
Income and endowments from:								
Donations and legacies	4	14,709	-	14,709	12,387	-	-	12,387
Charitable activities	5	2,847,624	-	2,847,624	2,551,821	-	-	2,551,821
Other trading activities	6	-	-	-	-	-	785	785
Investments	7	5,786	-	5,786	6,818	-	-	6,818
Other income	8	-	-	-	-	619,961	-	619,961
Total income		2,868,119	-	2,868,119	2,571,026	619,961	785	3,191,772
Expenditure on:								
Raising funds	9	3,414	-	3,414	1,091	-	-	1,091
Charitable activities	10	2,994,633	57,098	3,051,731	2,522,122	24,721	3,620	2,550,463
Total expenditure		2,998,047	57,098	3,055,145	2,523,213	24,721	3,620	2,551,554
Net income/(expenditure)		(129,928)	(57,098)	(187,026)	47,813	595,240	(2,835)	640,218

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds general	Unrestricted funds designated fund	Total	Unrestricted funds general	Unrestricted funds designated fund	Restricted funds	Total
		2025 £	2025 £	2025 £	2024 £	2024 £	2024 £	2024 £
Transfers between funds		-	-	-	37,612	(31,902)	(5,710)	-
Net movement in funds	12	(129,928)	(57,098)	(187,026)	85,425	563,338	(8,545)	640,218
Reconciliation of funds:								
Fund balances at 1 April 2024		515,637	2,098,353	2,613,990	430,212	1,535,015	8,545	1,973,772
Fund balances at 31 March 2025		385,709	2,041,255	2,426,964	515,637	2,098,353	-	2,613,990

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

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
BALANCE SHEET

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	16		20,120		30,180
Tangible assets	17		2,253,953		1,965,849
			<u>2,274,073</u>		<u>1,996,029</u>
Current assets					
Debtors	18	57,478		62,576	
Cash at bank and in hand		324,633		767,726	
		<u>382,111</u>		<u>830,302</u>	
Creditors: amounts falling due within one year	20	<u>(227,214)</u>		<u>(200,110)</u>	
Net current assets			<u>154,897</u>		<u>630,192</u>
Total assets less current liabilities			<u>2,428,970</u>		<u>2,626,221</u>
Creditors: amounts falling due after more than one year	21		<u>(2,005)</u>		<u>(12,231)</u>
Net assets excluding pension liability			<u>2,426,965</u>		<u>2,613,990</u>
Net assets			<u><u>2,426,965</u></u>		<u><u>2,613,990</u></u>
The funds of the charity					
Unrestricted funds - general			385,710		515,637
Unrestricted funds - designated fund	23		2,041,255		2,098,353
			<u>2,426,965</u>		<u>2,613,990</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2025

The financial statements were approved by the trustees on 28/11/25.



Mr A M Norwood
Trustee



Ms L Fennell
Trustee

Company registration number 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29		(93,452)		34,400
Investing activities					
Purchase of intangible assets		-		(18,780)	
Purchase of tangible fixed assets		(345,202)		(657,843)	
Proceeds from disposal of tangible fixed assets		-		791,269	
Investment income received		5,786		6,818	
Net cash (used in)/generated from investing activities			(339,416)		121,464
Financing activities					
Repayment of bank loans		(10,226)		(9,915)	
Net cash used in financing activities			(10,226)		(9,915)
Net (decrease)/increase in cash and cash equivalents			(443,094)		145,949
Cash and cash equivalents at beginning of year			767,726		621,778
Cash and cash equivalents at end of year			324,633		767,726

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Eastbourne & District Mencap Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Greenfield Centre, Greenfield Road, Eastbourne, East Sussex, BN21 1JJ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of legacies, donations, and gifts and other voluntary income is included in full in the statement of Financial Activities when receivable. Legacies are recognised in the accounts once there is sufficient evidence that the Charity is entitled to such income, provided that the amount receivable can be quantified with relative accuracy.
- Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Provision of services - income for the provision of residential and day care services is recognised for the period covered by the service.
- Investment income is recognised in the financial statements when receivable.
- Other trading income is recognised in the financial statements when receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Branding	10% straight line
----------	-------------------

1.7 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Fixtures and fittings	10% reducing balance
Motor vehicles	20% reducing balance

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

2 Change in accounting policy

In the current year the accounting policies regarding depreciation were reviewed, and it was deemed appropriate to change these policies to bring the depreciation of the assets in line with the estimated useful life of the assets. The prior periods have not been adjusted.

3 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.

4 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	14,389	11,912
Membership fees	320	475
	<u>14,709</u>	<u>12,387</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

5 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Residential Care Services		
Services provided under contract	2,608,747	2,294,648
Other income	14,436	19,813
Day Care Services		
Services provided under contract	224,441	237,360
	<u>2,847,624</u>	<u>2,551,821</u>

6 Income from other trading activities

	Restricted funds 2025 £	Restricted funds 2024 £
Other income	-	785
	<u>-</u>	<u>785</u>

7 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	5,786	6,818
	<u>5,786</u>	<u>6,818</u>

8 Other income

	Unrestricted funds designated fund 2025 £	Unrestricted funds designated fund 2024 £
Net gain on disposal of tangible fixed assets	-	619,961
	<u>-</u>	<u>619,961</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

9 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	3,414	1,091

10 Expenditure on charitable activities

	Residential Care Services 2025 £	Day Care Services 2025 £	Total 2025 £	Residential Care Services 2024 £	Day Care Services 2024 £	Total 2024 £
Direct costs						
Staff costs	2,127,364	170,554	2,297,918	1,768,486	189,787	1,958,273
Depreciation and impairment	67,158	-	67,158	20,921	-	20,921
Direct costs	93,424	24,344	117,768	105,962	37,818	143,780
Rent and rates	15,819	-	15,819	13,016	2,182	15,198
Light and heat	42,934	9,851	52,785	23,784	4,891	28,675
Repairs and renewals	25,898	2,593	28,491	29,056	2,224	31,280
Telephone costs	2,724	751	3,475	2,257	644	2,901
Printing, postage, stationery and computer	15,875	836	16,711	13,647	778	14,425
Motor expenses	7,579	1,185	8,764	7,079	10,269	17,348
Travel costs	5,653	1,434	7,087	6,426	899	7,325
Sundry and other expenditure	12,589	2,675	15,264	11,747	1,672	13,419
	<u>2,417,017</u>	<u>214,223</u>	<u>2,631,240</u>	<u>2,002,381</u>	<u>251,164</u>	<u>2,253,545</u>
Share of support and governance costs (see note 11)						
Support	332,879	58,743	391,622	238,147	42,026	280,173
Governance	24,539	4,330	28,869	14,233	2,512	16,745
	<u>2,774,435</u>	<u>277,296</u>	<u>3,051,731</u>	<u>2,254,761</u>	<u>295,702</u>	<u>2,550,463</u>
Analysis by fund						
Unrestricted funds - general	2,717,337	277,296	2,994,633	2,230,040	292,082	2,522,122
Unrestricted funds - designated fund	57,098	-	57,098	24,721	-	24,721
Restricted funds	-	-	-	-	3,620	3,620
	<u>2,774,435</u>	<u>277,296</u>	<u>3,051,731</u>	<u>2,254,761</u>	<u>295,702</u>	<u>2,550,463</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

11 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	274,627	175,642
Direct Costs	23,529	17,457
Rent and rates	5,500	6,750
Insurance costs	31,134	25,653
Repairs and renewals	2,720	19
Telephone costs	4,994	4,176
Printing, postage, stationery and computer	24,337	32,493
Travel costs	8,081	10,408
Sundry expenses and other costs	16,700	7,575
Governance costs	28,870	16,745
	<u>420,491</u>	<u>296,918</u>
Analysed between:		
Residential Care Services	357,418	252,380
Day Care Services	63,073	44,538
	<u>420,491</u>	<u>296,918</u>

12 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,144	9,144
Depreciation of owned tangible fixed assets	57,097	24,721
Loss/(profit) on disposal of tangible fixed assets	-	(619,961)
Amortisation of intangible assets	10,060	-
	<u>76,301</u>	<u>(186,106)</u>

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

14 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Administration staff	8	5
Direct and support staff	84	81
Total	92	86

Employment costs

	2025 £	2024 £
Wages and salaries	2,050,030	1,762,479
Social security costs	168,713	139,676
Other pension costs	38,330	33,185
	2,257,073	1,935,340

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,001 to £70,000	1	1

15 Taxation

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

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

16 Intangible fixed assets

	Branding £
Cost	
At 1 April 2024 and 31 March 2025	30,180
Amortisation and impairment	
At 1 April 2024	-
Amortisation charged for the year	10,060
At 31 March 2025	10,060
Carrying amount	
At 31 March 2025	20,120
At 31 March 2024	30,180

The intangible assets relate to a name change and rebranding of the Charity. These were not fully complete until 31 March 2024, and as such the amortisation started at the beginning of the current year.

17 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2024	2,210,726	52,168	45,735	2,308,629
Additions	281,233	48,375	15,594	345,202
At 31 March 2025	2,491,959	100,543	61,329	2,653,831
Depreciation and impairment				
At 1 April 2024	289,102	33,240	20,439	342,781
Depreciation charged in the year	42,189	6,730	8,178	57,097
At 31 March 2025	331,291	39,970	28,617	399,878
Carrying amount				
At 31 March 2025	2,160,668	60,573	32,712	2,253,953
At 31 March 2024	1,921,624	18,929	25,296	1,965,849

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

18 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	34,961	26,000
Other debtors	20,474	21,191
Prepayments and accrued income	2,043	15,385
	<u>57,478</u>	<u>62,576</u>

19 Loans and overdrafts

	2025	2024
	£	£
Bank loans	<u>12,209</u>	<u>22,435</u>
Payable within one year	10,204	10,204
Payable after one year	<u>2,005</u>	<u>12,231</u>

20 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	19	10,204	10,204
Other taxation and social security		46,274	35,784
Trade creditors		31,985	31,025
Other creditors		32,663	22,749
Accruals and deferred income		106,088	100,348
		<u>227,214</u>	<u>200,110</u>

The Charity currently holds monies on behalf of some residents as custodian trustees. These amounts are separately identified in the Charity's accounting records. These monies total £14,726 (2024: £8,941).

21 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	19	<u>2,005</u>	<u>12,231</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

22 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	38,330	33,185

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.

23 Unrestricted funds - designated fund

These are unrestricted funds which are material to the charity's activities.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Functional fixed asset fund	2,095,707	-	(55,948)	-	2,039,759
Drama	2,646	-	(1,150)	-	1,496
	<u>2,098,353</u>	<u>-</u>	<u>(57,098)</u>	<u>-</u>	<u>2,041,255</u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Sedgemoor and Framley residents	14,672	-	-	(14,672)	-
Hive of Activity	14,054	-	-	(14,054)	-
Functional fixed asset fund	1,500,467	619,961	(24,721)	-	2,095,707
Drama	3,726	-	-	(1,080)	2,646
Greensleeves residents	420	-	-	(420)	-
Arundel Road residents	1,676	-	-	(1,676)	-
	<u>1,535,015</u>	<u>619,961</u>	<u>(24,721)</u>	<u>(31,902)</u>	<u>2,098,353</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

23 Unrestricted funds - designated fund

(Continued)

Sedgemoor and Framley, Greensleeves and Arundel Road residents funds were established to hold funds to be used for residents' welfare. These funds were initially set up when money started being donated to the Home rather than Society. This has always been considered a designated fund rather than a restricted one, as the resident may move on after a donation is received, and before it is spent.

The Hive of Activity fund was established to hold donations, gifts and funds towards the costs of the day services. This fund was initially set up when the Society received a grant from the National Lottery towards the running costs of the day service for the first three years after it was set up.

The Functional fixed asset fund was established to exclude funds held as functional fixed assets from general reserves. This is to recognise that these assets are used operationally and their disposal would adversely impact on the charity's ability to deliver its aims. The expense from this fund represents the depreciation charged during the year. The transfers to this fund represents fixed assets purchased or sold during the year.

The Drama fund has been designated by the Trustees for the drama performances and shows put on by The Hive.

24 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	515,637	2,868,119	(2,998,047)	-	385,709
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	430,212	2,571,026	(2,523,213)	37,612	515,637
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

25 Analysis of net assets between funds

	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £
Fund balances at 31 March 2025 are represented by:			
Intangible fixed assets	-	20,120	20,120
Tangible assets	232,818	2,021,135	2,253,953
Current assets/(liabilities)	154,897	-	154,897
Long term liabilities	(2,005)	-	(2,005)
	<u>385,710</u>	<u>2,041,255</u>	<u>2,426,965</u>
	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Intangible fixed assets	-	30,180	30,180
Tangible assets	-	1,965,849	1,965,849
Current assets/(liabilities)	527,868	102,324	630,192
Long term liabilities	(12,231)	-	(12,231)
	<u>515,637</u>	<u>2,098,353</u>	<u>2,613,990</u>

26 Financial commitments, guarantees and contingent liabilities

The Society sees its overall commitment in terms of providing a 'Home for Life' for those with learning disabilities. Due to its long term and uncertain nature, it is not possible to quantify this commitment.

27 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	5,674	4,522
Between two and five years	7,007	10,081
	<u>12,681</u>	<u>14,603</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

28 Related party transactions

During the year the charity entered into the following transactions with related parties:

During the year, training was provided by On Target Training Network Ltd. Trustee M Stubbs is the company director and provided the training. Total invoices raised in the year totalled £11,055 (2024: £13,600)

29 Cash generated from operations	2025	2024
	£	£
(Deficit)/surplus for the year	(187,026)	640,219
Adjustments for:		
Investment income recognised in statement of financial activities	(5,786)	(6,818)
Gain on disposal of tangible fixed assets	-	(619,961)
Amortisation and impairment of intangible assets	(7,600)	3,800
Depreciation and impairment of tangible fixed assets	60,898	24,721
Movements in working capital:		
Decrease in debtors	5,098	4,543
Increase/(decrease) in creditors	27,104	(4,504)
Cash (absorbed by)/generated from operations	(107,312)	42,000
Difference	13,860	(7,600)
Per cash flow statement page	(93,452)	34,400

30 Analysis of changes in net funds

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	767,726	(443,093)	324,633
Loans falling due within one year	(10,204)	-	(10,204)
Loans falling due after more than one year	(12,231)	10,226	(2,005)
	745,291	(432,867)	312,424

EASTBOURNE AND DISTRICT MENCAP LIMITED

England & Wales - Charity number 1125686

Accounts

Charity registration number 1125686

Company registration number 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Mizen Ms N E Trimmer Ms M J Thurstan Mr A M Norwood Ms L Fennell Ms M S Stubbs Mr A P Taylor	(Appointed 31 March 2024)
Secretary	Ms M J Thurstan	
Senior management	Mrs N Harding	Chief Executive Officer
Charity number	1125686	
Company number	06182982	
Registered office	Greenfield Centre Greenfield Road Eastbourne East Sussex England BN21 1JJ	
Auditor	James Todd & Co Limited Drayton House Drayton Lane Chichester West Sussex England PO20 2EW	

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
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EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objectives of Eastbourne & District Mencap Limited as defined in the Memorandum of Association are:

- The care of people with a learning disability in particular by the provision of help and support for them and for their families, dependants and carers.
- To provide or assist in the provision of facilities for the recreation or other leisure time occupation for people who have needed thereof by reason of learning disability with the object of improving their conditions of life.

Our key values for all service users are: individuality, equality, freedom and choice.

We provide services that offers compassion, dedication and commitment to deliver the highest standards of individual care and support with practices that are of the highest quality appropriate to the needs of each individual in our care.

Our objective is to put service users at the centre of their own care. With a continued assessment and engagement we provide fulfilling and rewarding lives to our service users, the care and support we deliver is regularly reviewed to determine the correct approach and strategy to support each individual's needs.

We strongly believe in supporting and encouraging our service users to exercise their own beliefs, but do not feel we can or should advance alternative beliefs.

We review our aims and activities annually looking at our achievements and the outcomes of our work in the previous 12 months. Our review looks at the success of each key activity with the benefits they have brought to those groups of individuals we are established to help. The review also ensures that we remain focussed on our stated objectives at all times and with reference to the Charity Commission's public benefit guidance our future activities are planned to enhance the welfare of our service users. Our key aims and activities are:

- To ensure service users have the opportunity to be fully involved in the planning and delivery of their own care.
- To ensure service users rights to privacy, refusal, dignity and independence are respected to the highest regard.
- To actively encourage relatives and friends of service users to be involved in their lives.
- To continuously review, assess and promote a good quality of life.
- To work in partnership with outside agencies to ensure optimum care is delivered.
- To ensure there are evidence-based quality assurance systems in place to promote learning, change and improvement.
- To remain compliant with the latest legislation and Company policies.
- To ensure support practice is to the highest quality.
- To ensure support staff receive adequate training to fulfil their roles.
- To promote environments which are professional in service creating a homely atmosphere.
- To promote honesty, integrity and transparency.
- To offer comprehensive support and supervision and the opportunity to build careers within the Company through training, study and personal development plans.

Public benefit

The Executive Committee continue to focus on the public benefit guidance issued by the Charities Commission in deciding those strategies the charity takes in providing the care and support to our service users.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Services

Residential Care Homes

The charity provides three residential care homes in Eastbourne for individuals with learning and physical disabilities each of which are individually registered by the CQC. Individuals moving into one of our homes are assured that they can stay for as long as they wish as our policy continues to be that it is 'a home for life' subject to the care and support we are able to provide to them. All of the service users in our care homes are funded by the Adult Social Care sector: our total room space for the 3 homes is currently 28.

Day Care Services

The charity provides a day care centre in Eastbourne which provides a programme of workshops and activities for individuals with learning disability; this also provides respite for families and carers. The various activities are chosen by those who attend in order to support their needs to develop their interactions with other individuals and to integrate into society. This service is available for use by any individual within the community with a learning disability and is funded both by Adult Social Care and by the individual/family where funding is not available to them.

Achievements and performance

Significant activities and achievements against objectives

The last 12 months has seen significant changes starting with the finalisation of the rebranding exercise which has established a trading name of 'Inspire Sussex', this took effect from 1 December 2023 and the Executive Committee, members and all staff employed have embraced this change as a positive move for the future of the charity.

A new website created by our business partners Anderson Norton is now live.

As referred to in the financial review the Company purchased the freehold of a new premises in Eastbourne in February 2024 and following major refurbishment and adaptation of the building; we formally relocated the day centre and head office in May 2024. With a greatly improved environment and facilities the charity is now in a better position to develop the services provided to our service users. The local community have given a positive reception to the Charity moving into the area and have welcomed the establishment of a community hub at our new centre.

On the 1st April 2024 work commenced with an extension at our Friday Street home, the work being carried out is a major project to add two additional ground floor rooms for services users alongside a general refurbishment of the home. The cost of the project has been budgeted at £200,000 and should be completed in late summer 2024. It is estimated that the 2 new rooms will bring in additional turnover of between £150,000 and £200,000 per year.

The Charity continues to put significant efforts into fundraising with a current emphasis on raising funds to acquire suitable transport for our service users, specifically an additional vehicle that will allow transportation for those confined to a wheelchair. The Trustees continue to appreciate the support the Company receives from the public who have given donations and supported our fundraising.

The Trustees would like to put on record their gratitude for the loyal and dedicated support from all staff throughout the year and appreciate the time spent by volunteers, and employees working as volunteers outside their working hours, helping with the work of the Charity, and recognise the risk of costs increasing if this had to be done by paid staff.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Financial review

Results for the financial year 31 March 2024 are attached to this report.

The Company's income from charitable activities is £2,551,821 which represents an increase of nearly 17% on the previous year. This increase has been obtained as a result of ESCC increasing residency and day care funding by 10%, a high level of room occupancy throughout the year and the excellent efforts of our management team in obtaining sizeable funding uplifts for some of our high dependant service users.

Last year's Trustees report drew attention to a budget for 2023/24 that would see the Company in surplus by the end of the financial year; this has been the case with a surplus of £47,813; as this reflects a major turnaround from many years of deficit the Executive Committee wish to acknowledge the efforts of the CEO and management team in accomplishing this turnaround.

During the latter parts of the financial year major capital transactions occurred with the sale of the freehold of 113 Pevensey Road, our day care and head office centre, and a bungalow called Holmworth a home previously used for supported living; the gross sales total for this was £815,000. This has been reinvested as follows:

- Purchase of new day care and head office centre for £525,000.
- Refurbishment costs of the new centre circa £175,000.
- Contribution towards an extension at out Friday Street home (see below).

The 2 property sales have produced a 'book' profit of £640,218 which is reflected in the financial statements with an increase to the unrestricted – designated fund, excluded from reserves.

Reserves policy

The purpose of the Company's reserves is to secure the future of our services and to fund projects that will improve the quality of life of our service users. The level of reserves is monitored and reviewed by the Executive Committee on an ongoing basis in considering the risks to our operations to:

- provide funds which can be designated for specific projects to enable these projects to be undertaken at short notice
- cover administration, fundraising and support costs without which the Company could not function
- cover the funds held as functional fixed assets without which the Company could not deliver adequate care to its residents and to avoid the necessity of realising fixed assets held for the Company's use.

Those funds held as functional fixed assets are designated and excluded from the calculation of reserves which recognises these assets are used operationally and their disposal would adversely impact on our ability to deliver care to our beneficiaries.

The level of free reserves required to achieve this amount had been approved by the Trustees at £300,000 which is the sum the Trustees consider necessary to cover ongoing costs if there is a delay in receiving funding from East Sussex County Council.

Total funds at the end of the year amounted to £2,613,990 of which £2,098,353 was designated. Of these designated funds £1,996,029 relate to assets which are required for the Company to carry out its operations and hence, are not available for distribution. The designated funds were established by the Company to designate funds for ongoing activities in these areas.

There were no restricted funds at the end of the year. Cash and Cash Equivalents have increased to £767,726 from £621,778. Over the years, building maintenance has not sufficiently been carried out and therefore the Board have decided to look at using free reserves and/or borrowing, to improve the condition of our buildings.

Asset Cover for Funds

Note 26 sets out an analysis of the assets attributable to the various funds and a description of the trusts.

The Trustees are confident the Company has sufficient assets to meet the Company's obligations on a fund-by-fund basis.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the Company's funds are held on short term deposit.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Major risks

The Executive Committee has assessed the major risks to which the Company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The process of identifying, evaluating and managing the major risks to which the Company is exposed has continued throughout the year. Where any such weaknesses have been identified, appropriate systems or procedures have been established to mitigate risks the Company faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with all relevant legislation including health and safety, equal opportunities, service users' welfare, moving and handling, fire awareness, medication, food hygiene amongst others. An Internal Audit system is in place whereby the Chief Operating Officer carries out monthly checks to ensure policies, procedures and safeguarding issues are being correctly carried out and recorded.

The financial pressures from staffing costs will continue to have impact during the coming year as the Company continues to maintain the level of staffing which provide the high levels of care to safeguard our service users.

Our current focus moving forwards to manage risks are:

- Continued review of our main charitable objectives so they remain relevant and in tune with the founding principles, also ensuring they are achievable.
- Recruiting and retaining good quality staff to reduce the impact of agency costs.
- To always maximise our income streams with full occupancy and to work in consultation with ESCC to uplift service user fees to appropriate levels.
- To expand the depth, experience and number of Trustees, the Executive Committee actively seeks new people to join the Board as a key priority

Structure, governance and management

The Company is a charitable Company limited by guarantee incorporated on 26 March 2007 to take over the assets and liabilities of the unincorporated Eastbourne & District Mencap formed in 1949. The Memorandum and Articles of Association (revised in 2022) define the objects and powers of the Company.

The Company is governed by the Trustees who are non-executive directors for the purposes of Company law and under the Company's Articles are known as the Executive Committee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Mizen

Ms N E Trimmer

Ms M J Thurstan

Mr A M Norwood

Ms L Fennell

Ms M S Stubbs

Mr A P Taylor

(Appointed 31 March 2024)

Recruitment and appointment of trustees

Under the Memorandum and Articles of Association the Executive Committee are appointed each year at the AGM by the membership in accordance with the Articles to hold office until the end of the next AGM. The membership is invited to nominate members for election.

The Trustees give their time voluntarily and receive no benefits from the Company, any expenses reclaimed from the Company are set out in the notes to the accounts.

The Executive Committee meet a minimum of 4 times a year to administer the Charities operations with the day to day management is the function of the Chief Executive Officer and the senior management team.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

In the event of the Company being wound up members are required to contribute an amount not exceeding £1.

Funds held as custodian trustee

The Company holds some monies on behalf of service users as custodian Trustees, these monies are not assets of the Company and therefore the cash balances and creditors have been eliminated from the accounts.

Statement of trustees' responsibilities

The trustees, who are also the directors of Eastbourne & District Mencap Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

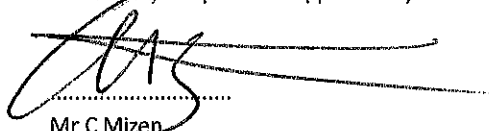
Auditor

In accordance with the company's articles, a resolution proposing that James Todd & Co Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

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


.....
Mr C Mizen
Trustee

Date: 17/10/2024
.....

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Opinion

We have audited the financial statements of Eastbourne & District Mencap Limited (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED**

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Michelle Buzzard FCA (Senior Statutory Auditor)
for and on behalf of James Todd & Co Limited**

.....

**Chartered Accountants
Statutory Auditor**

Drayton House
Drayton Lane
Chichester
West Sussex
England
PO20 2EW

James Todd & Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total
		2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
Income and endowments from:									
Donations and legacies	4	12,387	-	-	12,387	19,487	-	-	19,487
Charitable activities	5	2,551,821	-	-	2,551,821	2,182,200	-	10,307	2,192,507
Other trading activities	6	-	-	785	785	-	-	2,430	2,430
Investments	7	6,818	-	-	6,818	2,585	-	-	2,585
Other income	8	-	619,961	-	619,961	-	-	-	-
Total income		2,571,026	619,961	785	3,191,772	2,204,272	-	12,737	2,217,009
Expenditure on:									
Raising funds	9	1,091	-	-	1,091	3,898	-	-	3,898
Charitable activities	10	2,522,122	24,721	3,620	2,550,463	2,300,187	47,635	9,130	2,356,952
Total expenditure		2,523,213	24,721	3,620	2,551,554	2,304,085	47,635	9,130	2,360,850
Net income/(expenditure)		47,813	595,240	(2,835)	640,218	(99,813)	(47,635)	3,607	(143,841)

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total
		2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
Transfers between funds		37,612	(31,902)	(5,710)	-	(21,367)	21,367	-	-
Net movement in funds	12	85,425	563,338	(8,545)	640,218	(121,180)	(26,268)	3,607	(143,841)
Reconciliation of funds:									
Fund balances at 1 April 2023		430,212	1,535,015	8,545	1,973,772	551,392	1,561,283	4,938	2,117,613
Fund balances at 31 March 2024		515,637	2,098,353	-	2,613,990	430,212	1,535,015	8,545	1,973,772

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

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
BALANCE SHEET
AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	16		30,180		7,600
Tangible assets	17		1,965,849		1,504,035
			<u>1,996,029</u>		<u>1,511,635</u>
Current assets					
Debtors	18	62,576		67,119	
Cash at bank and in hand		767,726		621,778	
		<u>830,302</u>		<u>688,897</u>	
Creditors: amounts falling due within one year	20	<u>(200,110)</u>		<u>(204,410)</u>	
Net current assets			<u>630,192</u>		<u>484,487</u>
Total assets less current liabilities			<u>2,626,221</u>		<u>1,996,122</u>
Creditors: amounts falling due after more than one year	21		<u>(12,231)</u>		<u>(22,350)</u>
Net assets excluding pension liability			<u>2,613,990</u>		<u>1,973,772</u>
Net assets			<u><u>2,613,990</u></u>		<u><u>1,973,772</u></u>
The funds of the charity					
Restricted income funds	23		-		8,545
Unrestricted funds - general			515,637		430,212
Unrestricted funds - Designated fund	24		2,098,353		1,535,015
			<u>2,613,990</u>		<u>1,973,772</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

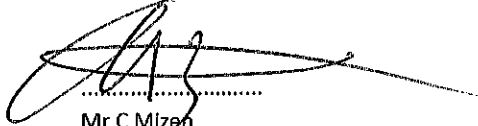
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

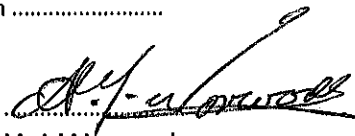
EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2024

The financial statements were approved by the trustees on



Mr C Mizen
Trustee



Mr A M Norwood
Trustee

Company registration number 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	30		34,400		(88,593)
Investing activities					
Purchase of intangible assets		(18,780)		(11,400)	
Purchase of tangible fixed assets		(657,843)		(21,367)	
Proceeds from disposal of tangible fixed assets		791,269		-	
Investment income received		6,818		2,585	
Net cash generated from/(used in) investing activities			121,464		(30,182)
Financing activities					
Repayment of bank loans		(9,915)		(9,318)	
Net cash used in financing activities			(9,915)		(9,318)
Net increase/(decrease) in cash and cash equivalents			145,949		(128,093)
Cash and cash equivalents at beginning of year			621,778		749,872
Cash and cash equivalents at end of year			767,726		621,778

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Eastbourne & District Mencap Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Greenfield Centre, Greenfield Road, Eastbourne, East Sussex, BN21 1JJ, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of legacies, donations, and gifts and other voluntary income is included in full in the statement of Financial Activities when receivable. Legacies are recognised in the accounts once there is sufficient evidence that the Charity is entitled to such income, provided that the amount receivable can be quantified with relative accuracy.
- Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Provision of services - income for the provision of residential and day care services is recognised for the period covered by the service.
- Investment income is recognised in the financial statements when receivable.
- Other trading income is recognised in the financial statements when receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Branding	10% straight line
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EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Fixtures and fittings	10% reducing balance
Motor vehicles	20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

2 Change in accounting policy

In the current year the accounting policies regarding depreciation were reviewed, and it was deemed appropriate to change these policies to bring the depreciation of the assets in line with the estimated useful life of the assets. The prior periods have not been adjusted.

3 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.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

4 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	11,912	18,927
Membership fees	475	560
	<u>12,387</u>	<u>19,487</u>

5 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Residential Care Services						
Residential care services	2,294,648	-	2,294,648	1,938,813	-	1,938,813
Other income	19,813	-	19,813	15,937	-	15,937
Day Care Services						
Residential care services	237,360	-	237,360	227,450	-	227,450
Grants	-	-	-	-	10,307	10,307
	<u>2,551,821</u>	<u>-</u>	<u>2,551,821</u>	<u>2,182,200</u>	<u>10,307</u>	<u>2,192,507</u>

6 Income from other trading activities

	Restricted funds 2024 £	Restricted funds 2023 £
Trading activity income: other	<u>785</u>	<u>2,430</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

7 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	6,818	2,585

8 Other income

	Unrestricted funds Designated fund 2024 £	Unrestricted funds Designated fund 2023 £
Net gain on disposal of tangible fixed assets	619,961	-

9 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	1,091	3,898

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Expenditure on charitable activities

	Residential Care Services	Day Care Services	Total	Residential Care Services	Day Care Services	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Direct costs						
Staff costs	1,768,486	189,787	1,958,273	1,633,315	172,636	1,805,951
Depreciation and impairment	20,921	-	20,921	47,867	-	47,867
Direct costs	105,962	37,818	143,780	58,788	32,951	91,739
Rent and rates	13,016	2,182	15,198	12,565	3,446	16,011
Light and heat	23,784	4,891	28,675	22,071	6,084	28,155
Repairs and renewals	29,056	2,224	31,280	51,440	15,625	67,065
Telephone costs	2,257	644	2,901	3,567	607	4,174
Printing, postage, stationery and computer	13,647	778	14,425	14,312	904	15,216
Motor expenses	7,079	10,269	17,348	12,454	10,915	23,369
Travel costs	6,426	899	7,325	4,822	38	4,860
Sundry and other expenditure	11,747	1,672	13,419	24,721	1,738	26,459
	<u>2,002,381</u>	<u>251,164</u>	<u>2,253,545</u>	<u>1,885,922</u>	<u>244,944</u>	<u>2,130,866</u>
Share of support and governance costs (see note 11)						
Support	238,147	42,026	280,173	179,287	31,637	210,924
Governance	14,233	2,512	16,745	12,888	2,274	15,162
	<u>2,254,761</u>	<u>295,702</u>	<u>2,550,463</u>	<u>2,078,097</u>	<u>278,855</u>	<u>2,356,952</u>
Analysis by fund						
Unrestricted funds - general	2,230,040	292,082	2,522,122	2,030,462	269,725	2,300,187
Unrestricted funds - Designated fund	24,721	-	24,721	47,635	-	47,635
Restricted funds	-	3,620	3,620	-	9,130	9,130
	<u>2,254,761</u>	<u>295,702</u>	<u>2,550,463</u>	<u>2,078,097</u>	<u>278,855</u>	<u>2,356,952</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

11 Support costs allocated to activities

	2024	2023
	£	£
Staff costs	175,642	124,523
Direct Costs	17,457	12,259
Rent and rates	6,750	-
Insurance costs	25,653	21,346
Repairs and renewals	19	381
Telephone costs	4,176	3,894
Printing, postage, stationery and computer	32,493	31,432
Travel costs	10,408	8,093
Sundry expenses and other costs	7,575	8,996
Governance costs	16,745	15,162
	<u>296,918</u>	<u>226,086</u>
Analysed between:		
Residential Care Services	252,380	192,175
Day Care Services	44,538	33,911
	<u>296,918</u>	<u>226,086</u>

12 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	9,144	7,920
Depreciation of owned tangible fixed assets	24,721	44,067
Profit on disposal of tangible fixed assets	(619,961)	-
Amortisation of intangible assets	-	3,800
	<u></u>	<u></u>

13 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

14 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administration staff	5	4
Direct and support staff	81	70
Total	86	74

Employment costs	2024	2023
	£	£
Wages and salaries	1,762,479	1,483,839
Social security costs	139,676	122,503
Other pension costs	33,185	27,541
	1,935,340	1,633,883

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024	2023
	Number	Number
£60,001 to £70,000	1	1

15 Taxation

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

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

16 Intangible fixed assets

	Branding £
Cost	
At 1 April 2023	11,400
Additions	18,780
At 31 March 2024	30,180
Amortisation and impairment	
At 1 April 2023	3,800
Eliminated on revaluation	(3,800)
At 31 March 2024	-
Carrying amount	
At 31 March 2024	30,180
At 31 March 2023	7,600

The intangible assets relate to a name change and rebranding of the Charity. These were not fully complete until 31 March 2024, and as such the amortisation recognised in the prior year has been eliminated on revaluation, once the work was complete. The intangible assets will be amortised from the start of the new year.

17 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 April 2023	1,815,475	104,758	27,735	1,947,968
Additions	635,508	4,335	18,000	657,843
Disposals	(240,257)	(56,925)	-	(297,182)
At 31 March 2024	2,210,726	52,168	45,735	2,308,629
Depreciation and impairment				
At 1 April 2023	342,389	87,429	14,115	443,933
Depreciation charged in the year	16,294	2,103	6,324	24,721
Eliminated in respect of disposals	(69,581)	(56,293)	-	(125,874)
At 31 March 2024	289,102	33,239	20,439	342,780
Carrying amount				
At 31 March 2024	1,921,624	18,929	25,296	1,965,849
At 31 March 2023	1,473,086	17,329	13,620	1,504,035

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

18 Debtors		2024	2023
		£	£
Amounts falling due within one year:			
Trade debtors		26,000	28,782
Other debtors		21,191	32,741
Prepayments and accrued income		15,385	5,596
		<u>62,576</u>	<u>67,119</u>

19 Loans and overdrafts		2024	2023
		£	£
Bank loans		<u>22,435</u>	<u>32,350</u>
Payable within one year		10,204	10,000
Payable after one year		<u>12,231</u>	<u>22,350</u>

20 Creditors: amounts falling due within one year		2024	2023
	Notes	£	£
Bank loans	19	10,204	10,000
Other taxation and social security		35,784	36,216
Trade creditors		31,025	36,835
Other creditors		22,749	16,908
Accruals and deferred income		<u>100,348</u>	<u>104,451</u>
		<u>200,110</u>	<u>204,410</u>

The Charity currently holds monies on behalf of some residents as custodian trustees. These amounts are separately identified in the Charity's accounting records. These monies total £8,941 (2023: £10,588).

21 Creditors: amounts falling due after more than one year		2024	2023
	Notes	£	£
Bank loans	19	<u>12,231</u>	<u>22,350</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

22 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>33,185</u>	<u>27,541</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
The Leaf Hall Project	<u>8,545</u>	<u>785</u>	<u>(3,620)</u>	<u>(5,710)</u>	<u>-</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
The Leaf Hall Project	<u>4,938</u>	<u>12,737</u>	<u>(9,130)</u>	<u>-</u>	<u>8,545</u>

The Leaf Hall Project is a social enterprise project delivered by Eastbourne Mencap, partnered with Our Neighbourhood, to enable our service users to experience working in the community. The project is funded by The Devonshire West Big Local Board created to distribute funds to benefit the local area.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

24 Unrestricted funds - Designated fund

These are unrestricted funds which are material to the charity's activities.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Sedgemoor and Framley residents	14,672	-	-	(14,672)	-
Hive of Activity	14,054	-	-	(14,054)	-
Functional fixed asset fund	1,500,467	619,961	(24,721)	-	2,095,707
Drama	3,726	-	-	(1,080)	2,646
Greensleeves residents	420	-	-	(420)	-
Arundel Road residents	1,676	-	-	(1,676)	-
	<u>1,535,015</u>	<u>619,961</u>	<u>(24,721)</u>	<u>(31,902)</u>	<u>2,098,353</u>

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Sedgemoor and Framley residents	14,672	-	-	-	14,672
Hive of Activity	14,054	-	-	-	14,054
Functional fixed asset fund	1,526,734	-	(47,635)	21,367	1,500,466
Drama	3,726	-	-	-	3,726
Greensleeves residents	421	-	-	-	421
Arundel Road residents	1,676	-	-	-	1,676
	<u>1,561,283</u>	<u>-</u>	<u>(47,635)</u>	<u>21,367</u>	<u>1,535,015</u>

Sedgemoor and Framley, Greensleeves and Arundel Road residents funds were established to hold funds to be used for residents' welfare. These funds were initially set up when money started being donated to the Home rather than Society. This has always been considered a designated fund rather than a restricted one, as the resident may move on after a donation is received, and before it is spent.

The Hive of Activity fund was established to hold donations, gifts and funds towards the costs of the day services. This fund was initially set up when the Society received a grant from the National Lottery towards the running costs of the day service for the first three years after it was set up.

The Functional fixed asset fund was established to exclude funds held as functional fixed assets from general reserves. This is to recognise that these assets are used operationally and their disposal would adversely impact on the charity's ability to deliver its aims. The expense from this fund represents the depreciation charged during the year. The transfers to this fund represents fixed assets purchased or sold during the year.

The Drama fund has been designated by the Trustees for the drama performances and shows put on by The Hive.

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

25 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	430,212	2,571,026	(2,523,213)	37,612	515,637
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	551,392	2,204,272	(2,304,085)	(21,367)	430,212
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

26 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2024	2024	2024	2024
	£	£	£	£
Fund balances at 31 March 2024 are represented by:				
Intangible fixed assets	-	30,180	-	30,180
Tangible assets	-	1,965,849	-	1,965,849
Current assets/(liabilities)	527,868	102,324	-	630,192
Long term liabilities	(12,231)	-	-	(12,231)
	<u>515,637</u>	<u>2,098,353</u>	<u>-</u>	<u>2,613,990</u>

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2023	2023	2023	2023
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Intangible fixed assets	7,600	-	-	7,600
Tangible assets	-	1,504,035	-	1,504,035
Current assets/(liabilities)	444,962	30,980	8,545	484,487
Long term liabilities	(22,350)	-	-	(22,350)
	<u>430,212</u>	<u>1,535,015</u>	<u>8,545</u>	<u>1,973,772</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

27 Financial commitments, guarantees and contingent liabilities

The Society sees its overall commitment in terms of providing a 'Home for Life' for those with learning disabilities. Due to its long term and uncertain nature, it is not possible to quantify this commitment.

28 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	4,522	4,522
Between two and five years	10,081	14,602
	<u>14,603</u>	<u>19,124</u>

29 Related party transactions

During the year the charity entered into the following transactions with related parties:

During the year, 7 Trustees paid £140 in memberships (2023: 1 Trustee £40).

During the year, 1 Trustee paid for £851 of expenditure personally, which was later repaid to them in expenses (2023: 1 Trustee £276)

30 Cash generated from operations

	2024	2023
	£	£
Surplus/(deficit) for the year	640,219	(143,841)
Adjustments for:		
Investment income recognised in statement of financial activities	(6,818)	(2,585)
Gain on disposal of tangible fixed assets	(619,961)	-
Amortisation and impairment of intangible assets	(7,600)	3,800
Depreciation and impairment of tangible fixed assets	28,521	44,067
Movements in working capital:		
Decrease in debtors	4,543	14,528
(Decrease) in creditors	(4,504)	(4,562)
Cash generated from/(absorbed by) operations	<u>34,400</u>	<u>(88,593)</u>

EASTBOURNE & DISTRICT MENCAP LIMITED
T/A INSPIRE SUSSEX
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

31 Analysis of changes in net funds

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	621,778	145,948	767,726
Loans falling due within one year	(10,000)	(204)	(10,204)
Loans falling due after more than one year	(22,350)	10,119	(12,231)
	<u>589,428</u>	<u>155,863</u>	<u>745,291</u>

EASTBOURNE AND DISTRICT MENCAP LIMITED

England & Wales - Charity number 1125686

Accounts

Charity registration number 1125686

Company registration number 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

EASTBOURNE & DISTRICT MENCAP LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Mizen
	Ms N E Trimmer
	Ms M J Thurstan
	Mr A M Norwood
	Ms L Fennell
	Ms M S Stubbs
Secretary	Ms M J Thurstan
Charity number	1125686
Company number	06182982
Registered office	113 Pevensey Road Eastbourne East Sussex England BN22 8AD
Auditor	James Todd & Co Limited 1 & 2 The Barn Oldwick West Stoke Road Lavant Chichester West Sussex England PO18 9AA

EASTBOURNE & DISTRICT MENCAP LIMITED

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EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objects of Eastbourne & District Mencap Limited (the Company) are:

- The relief and care of service users with a learning disability providing help and support for them, their families, dependants and carers.
- The provision of facilities for recreation and leisure activities for service users who have a need as a result of their learning disability with the object of improving the quality of life.

It is our aim to put service users at the centre of their own care and with continued assessment and collaboration we strive to provide fulfilling and rewarding lives. Our key activities are:

- To remain compliant with the latest legislation and company policies.
- To ensure support practice is to the highest quality.
- To ensure support staff receive adequate training to fulfil their roles.
- To promote environments which are professional in service creating a homely atmosphere.
- To promote honesty, integrity and transparency.
- To continuously review, assess and promote independence and good quality of life.
- To work in partnership with outside agencies to ensure optimum care is delivered.
- To offer comprehensive support and supervision and the opportunity to build careers within the company through training, study and personal development plans.
- To ensure there are evidence-based quality assurance systems in place to promote learning, change and improvement.
- To actively encourage relatives and friends of service users to be involved in their lives.
- To ensure service users have the opportunity to be fully involved in the planning and delivery of their own care.
- To ensure service users rights to privacy, refusal, dignity and are respected to the highest regard.

Our key values for all service users are: individuality, equality, freedom and choice.

We provide a service that offers compassion, dedication and a strong commitment to delivering the highest standards of individualised care and support ensuring that all practices of the highest quality, are appropriate to the needs of each individual in our care.

We ensure that all care and support is consistently delivered and regularly reviewed to determine the optimum approach and strategy to support each individual's needs. All managers and teams receive regular training that is relevant and appropriate to deal with the demand and challenges of their roles in providing exceptional quality care and support.

We review our aims and activities annually looking at our achievements and the outcomes of our work in the previous 12 months. Our review looks at the success of each key activity with the benefits they have brought to those groups of individuals we are established to help. The review also ensures that we remain focused on our stated objectives at all times and with reference to the guidance contained in the Company Commission's 'General Guidance on Public Benefit' we focus on planning our future activities to enhance the welfare of our service users. We strongly believe in supporting and encouraging our service users to exercise their own beliefs, but do not feel we can or should advance alternative beliefs.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Activities

The Trustees have focused on the Public Benefit guidance issued by the Company Commission in deciding strategies the Company takes to focus on the care and support of those with a learning disability.

Our referrals primarily come from local authorities and family members, our policy of equal access ensures we do not discriminate on any individuals access to our services by gender, sexual orientation or ethnicity: we also ensure that we can meet the needs of a potential service user and that they are compatibility with others within the service. Our residential services are restricted by the Care Quality Commission to adults over 18.

We are committed to delivering support that is tailored to individual needs by personalising our services as far as this is possible. Our teams work closely with our residential and day service users in promoting choice for the activities they wish to participate in. Within our homes and day care centre service users can participate in all decision making and their involvement is always encouraged; by taking an active role with the necessary support and personalised care in a way they choose helps personal development. We use a digital care management system supplied by Nourish that is personalised around each service user to enable us to deliver an effective and responsive support that records the quality care that we strive to achieve.

The services that we offer are detailed below:

Residential Care Homes

The Company owns three residential care homes in Eastbourne for individuals with learning and physical disabilities which are individually registered by the CQC. Individuals moving into one of our homes are assured that they can stay for as long as they wish as our policy continues to be that it is 'a home for life' subject to the care and support available to them. All of the service users in our care homes are funded by the Adult Social Care sector: our total bed space for the 3 homes is currently 27.

Supported Living

The Company owns a bungalow that has provided supported living under a tenancy agreement with the funding for this provided by housing benefit and Adult Social Care. The tenancy agreement ceased in May 2023 with the service user moving to one of our residential care homes. The bungalow is currently up for sale – please see the plans for future periods for more information on this.

Day Care Services

The Company runs a day care centre known as the Hive in Eastbourne which provides a programme of workshops and activities for individuals with learning disability and to provide respite for families and carers. The various activities are chosen by those who attend in order to support their needs and develop their interactions with other individuals and integration into society. This service is available for use by any individual within the community with learning disabilities, it is funded both by Adult Social Care or the individual/family where funding is not available.

Volunteers

Our working relationships within the community continued throughout the year, those include East Sussex County Council Support, The Job Centre, St Wilfred's Hospice, Chamber of Commerce, Leaf Hall, Disability Confident, and East Sussex Registered Care Home Association, providing mutual support within the community. Engagement also continues with our key stakeholders ESCC and CQC to ensure we remain aligned in our policies and approach to providing our services.

Students from the local schools and colleges who are working towards a qualification in adult social care have been placed within our services throughout the year and we value the contribution they make and trust they receive valuable experience from us.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Significant activities and achievements against objectives

During 202/23 Eastbourne Mencap was privileged to be one of the Mayor of Eastbourne's chosen Charity during his term in office. Many fundraising events were held throughout the year via the Mayors office resulting in a total of £10,588 funds raised for the Company. The Trustees would like to thank the Mayor of Eastbourne and all who supported this successful fundraising campaign.

The Trustees continue to appreciate the support the company receives from the public who have given donations and legacies.

Financial review

Results for the financial year 31 March 2023 are attached to this report outlining that the costs of running our services continue to be far greater than the income we receive. Over 90% of the £2.217m turnover is from Adult Social Care (via Local Authorities) of which we have minimal input into its setting. Our core costs are staffing which during the year 2022/23 account for nearly 90% of our income at £1.93m. Significant increases in staffing cost due to government policy and market pressures limit our ability to bring the Company into a surplus.

Alongside a commitment to strong financial management the Trustees continue to place an emphasis on controlling staff costs (specifically third party agencies), ensuring that all residential rooms are occupied to maximise income levels and the continuing review of individual service user fees with local authorities. During the year 2022/23 several uplifts have been agreed following reviews to bring an individual's fee in line with costs, but there are still service users whose fee income is well behind our base cost.

ESCC has for 2023/24 uplifted fees for all services we provide by 10%, factoring this increase into the budget for 2023/24 brings us into a potential surplus subject to there being no material uncertainties during the year. This appears to indicate a loosening of the purse-strings by local authorities regarding the Adult Social Care sector from additional Government funding.

Reserves policy

The purpose of the Company's reserves is to secure the future of our services, to fund projects and to fund future building needs to meet the needs of our service users and the level of reserves is monitored and reviewed by the Trustees on an ongoing basis. The Trustees review the company's requirements for reserves in the light of the main risks to our operations to:

- (a) provide funds which can be designated for specific projects to enable these projects to be undertaken at short notice
- (b) cover administration, fundraising and support costs without which the company could not function; and
- (c) cover the funds held as functional fixed assets without which the company could not deliver adequate care to its residents and to avoid the necessity of realising fixed assets held for the company's use.

Funds held as functional fixed assets are designated and excluded from the calculation of reserves. This recognises that these assets are used operationally and their disposal would adversely impact on our ability to deliver care to our beneficiaries.

The level of free reserves required to achieve this amount had been approved by the Trustees at £300,000 which is the sum the Trustees consider necessary to cover ongoing costs if there is a delay in receiving funding from East Sussex County Council.

Total funds at the end of the year amounted to £1,973,772 of which £1,535,015 was designated. Of these designated funds £1,504,035 relate to fixed assets which are required for the company to carry out its operations and hence, are not available for distribution. The designated funds were established by the company to designate funds for ongoing activities in these areas.

There was £8,545 within restricted funds at the end of the year, for the Leaf Hall Project. Cash and Cash Equivalents have reduced to £621,778 from £749,872. Over the years, building maintenance has not sufficiently been carried out and therefore the Board have decided to look at using free reserves and/or borrowing, to improve the condition of our buildings.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Asset Cover for Funds

Note 23 sets out an analysis of the assets attributable to the various funds and a description of the trusts.

The financial pressures from staffing costs and inflation will continue to have impact during the coming year as the Company continues to maintain a level of staffing to provide high levels of service too, and safeguard our service users.

The Trustees are confident the Company has sufficient assets to meet the company's obligations on a fund-by-fund basis.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the company's funds are held on short term deposit.

Major risks

The Trustees have assessed the major risks to which the Company is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. The process of identifying, evaluating and managing the major risks to which the company is exposed has continued throughout the year. Where any such weaknesses have been identified, appropriate systems or procedures have been established to mitigate risks the company faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with all relevant legislation including health and safety, equal opportunities, service users' welfare, moving and handling, fire awareness, medication, food hygiene and others. An Internal Audit system is in place whereby the Chief Operating Officer carries out monthly checks to ensure policies, procedures and safeguarding issues are being correctly carried out and recorded.

Our current focus moving forwards are:

- Recruiting and retaining good quality staff to reduce the impact of agency costs.
- To always maximise our income streams with full occupancy and to work in consultation with ESCC to uplift service user fees to appropriate levels.
- To expand the depth, experience and number of Trustees – the Executive Committee is actively seeking new people to join the Board. There have been a number of changes at Board level during and after the year-end and this remains a key priority.
- Continued review of our main charitable objectives so they remain relevant and in tune with the founding principles, also ensuring they are achievable.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

During the last 12 months the Trustees, members and staff have been working with Anderson Norton a company who specialise in branding and marketing to establish a name change and a new branding profiles moving into the future and following a vote of members and staff the chosen new trading name for Eastbourne & District Mencap with effect from 1 December 2023 will be '**INSPIRE Sussex**' with the tag line '**human shaped care**'. Work is ongoing with Anderson Norton to produce our profile, website etc with the formal change to be made during 2023/24.

As part of the INSPIRE Sussex project and as an addition to our day care services we have established an enterprise called 'INSPIRE Events' to bring together individuals with learning disabilities from the local area together in social events. A comprehensive list of activities and events outside of the day centre has been put together which will allow individuals to meet and engage with each other as part of the wider community.

As previously referred the supported living bungalow Holmworth is in the process of being sold to fund an extension with improvements to 'Greensleeves' our residential home in Friday Street, Eastbourne. This extension will create 2 new ground floor en-suite rooms allowing wheelchair access and will give significant improvements to the property and provide facilities for 2 additional service users. This cost for this project will be £195,000 and will be funded from the sale of Holmworth.

A decision to relocate the day care centre and head office in Pevensey Road, Eastbourne was made by the Trustees many years ago and a new location has finally been found. Having sold Pevensey Road a new premises has been purchased within Eastbourne and the date of moving will be 2 February 2024. Our new location will require modifications and significant improvements which will cost in the region of £175,000, this will be funded part from reserves and part from the sale of Holmworth.

Efforts to raise funds to purchase a new mini-bus are ongoing with the hope that 2024 will we achieve this aim.

Structure, governance and management

The Company is a charitable company limited by guarantee incorporated on 26 March 2007 and registered as a company on 2 September 2008. The Company was established under a Memorandum of Association which established the powers of the Charitable Company and is covered by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The Company took over the assets and liabilities of the unincorporated company Eastbourne & District Mencap which was formed in 1949.

The Company is governed by non-executive directors, as listed on the attached flysheet who are also Company Trustees for the purposes of company law and under the company's Articles are known as the Executive Committee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Mizen

Ms N E Trimmer

Ms M J Thurstan

Mr A M Norwood

Ms L Fennell

Ms M S Stubbs

Recruitment and appointment of trustees

Under the Memorandum and Articles of Association the honorary officers and four members are appointed each year at the AGM in accordance with the Articles to hold office until the end of the next AGM. The membership is invited to nominate members for election. The Board may co-opt additional members (who may, but do not need to be members of the Society) being persons having a special interest in and qualifications for furthering the work of the company.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

All members of the Executive Committee give their time voluntarily and receive no benefits from the company except the learning-disabled representative. Any expenses reclaimed from the company are set out in the notes to the accounts. All directors who have claimed expenses have made a donation at least equivalent to the expenses claimed.

The Executive Committee meets a minimum of 4 times a year to administer the Charities operations. The day to day management of the Company is in the hands of the Chief Executive Officer and the Senior Management team.

Organisational structure

People

The Trustees would like to put on record their gratitude for the loyal and dedicated support from all staff throughout the year and would also like to thank the retired Trustees for their hard work in the past. The Trustees appreciate the time spent by volunteers, and employees working as volunteers outside their working hours, helping with the work of the company, and recognise the risk of costs increasing if this had to be done by paid staff.

Recruitment

There are considerable pressures within the industry surrounding recruitment and retention of staff which we are not immune too. Steps are continually taken to improve our terms of employment which have a positive impact in employing the best staff available to us but the fluidity of the industry means we always have vacancies to fill.

Training

The Company continues to provide mandatory training to meet the CQC regulations. Government quotas for the percentage of the workforce who need to be trained at Diploma level change frequently but from the start the company has always exceeded any of the requirements.

We have developed a yearly training programme with the support from On Target Training and other providers to ensure that all of the staff have the opportunity to attend regular training. New staff that join the organisation undergo an intensive induction programme before they can commence hands on work. Alongside the ESCC training portal to access staff training we now have the use of internet based training provided by Hippo and have found this to be very effective as staff can undertake training at any time and it enable us to provide comprehensive training to new employees during their induction period.

We are encouraged by the strength of the management team who all have specific area of expertise and interest that benefit the Company and we continue to encouraging them to take the lead in delivering and developing specific training areas. Training and personal development needs are discussed with staff during supervision and yearly appraisal when staff are encouraged to attend additional training for personal development and to benefit to Company in the service it provides.

Funds held as custodian trustee

The Company holds some monies on behalf of service users as custodian trustees, these monies are not assets of the Company and therefore the cash balances and creditors have been eliminated from the accounts.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Eastbourne & District Mencap Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

Auditor

In accordance with the company's articles, a resolution proposing that James Todd & Co Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

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

Mr C Mizen
Trustee

21 December 2023

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Opinion

We have audited the financial statements of Eastbourne & District Mencap Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Michelle Daniels FCA (Senior Statutory Auditor)
for and on behalf of James Todd & Co Limited

21 December 2023

Chartered Accountants
Statutory Auditor

1 & 2 The Barn Oldwick
West Stoke Road
Lavant
Chichester
West Sussex
England
PO18 9AA

James Todd & Co Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total
	Notes	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
Income and endowments from:									
Donations and legacies	3	19,487	-	-	19,487	3,911	2,054	-	5,965
Charitable activities	4	2,182,200	-	10,307	2,192,507	2,044,911	-	8,034	2,052,945
Other trading activities	5	-	-	2,430	2,430	-	-	199	199
Investments	6	2,585	-	-	2,585	45	-	-	45
Other income	7	-	-	-	-	9,558	-	-	9,558
Total income		<u>2,204,272</u>	<u>-</u>	<u>12,737</u>	<u>2,217,009</u>	<u>2,058,425</u>	<u>2,054</u>	<u>8,233</u>	<u>2,068,712</u>
Expenditure on:									
Raising funds	8	3,898	-	-	3,898	2,380	-	-	2,380
Charitable activities	9	2,300,187	47,635	9,130	2,356,952	2,115,184	33,915	3,295	2,152,394
Total expenditure		<u>2,304,085</u>	<u>47,635</u>	<u>9,130</u>	<u>2,360,850</u>	<u>2,117,564</u>	<u>33,915</u>	<u>3,295</u>	<u>2,154,774</u>
Net income/(expenditure)		(99,813)	(47,635)	3,607	(143,841)	(59,139)	(31,861)	4,938	(86,062)

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total	Unrestricted funds general	Unrestricted funds Designated fund	Restricted funds	Total
Notes	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
Transfers between funds	(21,367)	21,367	-	-	(38,915)	38,915	-	-
Net movement in funds	(121,180)	(26,268)	3,607	(143,841)	(98,054)	7,054	4,938	(86,062)
Reconciliation of funds:								
Fund balances at 1 April 2022	551,392	1,561,283	4,938	2,117,613	649,446	1,554,229	-	2,203,675
Fund balances at 31 March 2023	430,212	1,535,015	8,545	1,973,772	551,392	1,561,283	4,938	2,117,613

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

EASTBOURNE & DISTRICT MENCAP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	14		7,600		-
Tangible assets	15		1,504,035		1,526,734
			<u>1,511,635</u>		<u>1,526,734</u>
Current assets					
Debtors	16	67,119		81,647	
Cash at bank and in hand		621,778		749,872	
		<u>688,897</u>		<u>831,519</u>	
Creditors: amounts falling due within one year	18	204,410		208,972	
		<u>204,410</u>		<u>208,972</u>	
Net current assets			484,487		622,547
Total assets less current liabilities			1,996,122		2,149,281
Creditors: amounts falling due after more than one year	19		(22,350)		(31,668)
			<u>(22,350)</u>		<u>(31,668)</u>
Net assets			<u>1,973,772</u>		<u>2,117,613</u>
The funds of the charity					
Restricted income funds	20		8,545		4,938
Unrestricted funds - general			430,212		551,392
Unrestricted funds - Designated fund	21		1,535,015		1,561,283
			<u>1,973,772</u>		<u>2,117,613</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 21 December 2023

Mr C Mizen
Trustee

Mr A M Norwood
Trustee

Company registration number 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(88,593)		511,178
Investing activities					
Purchase of intangible assets		(11,400)		-	
Purchase of tangible fixed assets		(21,367)		(38,914)	
Proceeds from disposal of tangible fixed assets		-		5,079	
Investment income received		2,585		45	
Net cash used in investing activities			(30,182)		(33,790)
Financing activities					
Repayment of bank loans		(9,318)		(8,332)	
Net cash used in financing activities			(9,318)		(8,332)
Net (decrease)/increase in cash and cash equivalents			(128,093)		469,056
Cash and cash equivalents at beginning of year			749,872		280,817
Cash and cash equivalents at end of year			621,778		749,872

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Eastbourne & District Mencap Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 113 Pevensey Road, Eastbourne, East Sussex, BN22 8AD, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of legacies, donations, and gifts and other voluntary income is included in full in the statement of Financial Activities when receivable. Legacies are recognised in the accounts once there is sufficient evidence that the Charity is entitled to such income, provided that the amount receivable can be quantified with relative accuracy.
- Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Provision of services - income for the provision of residential and day care services is recognised for the period covered by the service.
- Investment income is recognised in the financial statements when receivable.
- Other trading income is recognised in the financial statements when receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Branding	33.3% straight line
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EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years straight line
Fixtures and fittings	4 years straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds general	Unrestricted funds Designated fund	Total	Unrestricted funds general	Unrestricted funds Designated fund	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	18,927	-	18,927	3,066	2,054	5,120
Membership fees	560	-	560	845	-	845
	<u>19,487</u>	<u>-</u>	<u>19,487</u>	<u>3,911</u>	<u>2,054</u>	<u>5,965</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Residential Care Services						
Sale of goods	-	-	-	-	-	-
Residential care services	1,954,750	-	1,954,750	1,759,406	-	1,759,406
Grants	-	-	-	98,481	-	98,481
Day Care Services						
Residential care services	227,450	-	227,450	181,790	-	181,790
Grants	-	10,307	10,307	5,234	8,034	13,268
	<u>2,182,200</u>	<u>10,307</u>	<u>2,192,507</u>	<u>2,044,911</u>	<u>8,034</u>	<u>2,052,945</u>

5 Income from other trading activities

	Restricted funds 2023 £	Restricted funds 2022 £
Trading activity income: other	<u>2,430</u>	<u>199</u>

6 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	<u>2,585</u>	<u>45</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Net gain on disposal of tangible fixed assets	-	5,079
Government grants	-	4,479
	<u>-</u>	<u>4,479</u>
	<u>-</u>	<u>4,479</u>

8 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Other fundraising costs	3,898	2,380
	<u>3,898</u>	<u>2,380</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Expenditure on charitable activities

	Residential Care Services	Day Care Services	Total	Residential Care Services	Day Care Services	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Direct costs						
Staff costs	1,633,315	172,636	1,805,951	1,490,971	137,472	1,628,443
Depreciation and impairment	47,867	-	47,867	33,915	-	33,915
Direct costs	58,788	32,951	91,739	62,725	21,207	83,932
Rent and rates	12,565	3,446	16,011	16,773	350	17,123
Insurance costs	-	-	-	14,298	1,189	15,487
Light and heat	22,071	6,084	28,155	23,149	5,029	28,178
Repairs and renewals	51,440	15,625	67,065	33,334	13,072	46,406
Telephone costs	3,567	607	4,174	5,347	1,583	6,930
Printing, postage, stationery and computer	14,312	904	15,216	12,562	869	13,431
Motor expenses	12,454	10,915	23,369	21,736	13,463	35,199
Travel costs	4,822	38	4,860	3,252	35	3,287
Sundry and other expenditure	24,721	1,738	26,459	20,692	1,083	21,775
	<u>1,885,922</u>	<u>244,944</u>	<u>2,130,866</u>	<u>1,738,754</u>	<u>195,352</u>	<u>1,934,106</u>
Share of support and governance costs (see note 10)						
Support	179,287	31,637	210,924	164,182	28,974	193,156
Governance	12,888	2,274	15,162	21,362	3,770	25,132
	<u>2,078,097</u>	<u>278,855</u>	<u>2,356,952</u>	<u>1,924,298</u>	<u>228,096</u>	<u>2,152,394</u>
Analysis by fund						
Unrestricted funds - general	2,030,462	269,725	2,300,187	1,890,383	224,801	2,115,184
Unrestricted funds - Designated fund	47,635	-	47,635	33,915	-	33,915
Restricted funds	-	9,130	9,130	-	3,295	3,295
	<u>2,078,097</u>	<u>278,855</u>	<u>2,356,952</u>	<u>1,924,298</u>	<u>228,096</u>	<u>2,152,394</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Support costs allocated to activities

	2023 £	2022 £
Staff costs	124,523	137,212
Direct Costs	12,259	13,033
Insurance costs	21,346	-
Repairs and renewals	381	335
Telephone costs	3,894	7,696
Printing, postage, stationery and computer	31,432	27,901
Travel costs	8,093	-
Sundry expenses and other costs	8,996	6,979
Governance costs	15,162	25,132
	<u>226,086</u>	<u>218,288</u>
Analysed between:		
Residential Care Services	192,175	185,544
Day Care Services	33,911	32,744
	<u>226,086</u>	<u>218,288</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration staff	4	4
Direct and support staff	70	70
	<u>74</u>	<u>74</u>

Employment costs

	2023 £	2022 £
Wages and salaries	1,483,839	1,351,993
Social security costs	122,503	102,834
Other pension costs	27,541	29,566
	<u>1,633,883</u>	<u>1,484,393</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,001 to £70,000	1	1
	<u>1</u>	<u>1</u>

13 Taxation

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

14 Intangible fixed assets

	Branding £
Cost	
At 1 April 2022	-
Additions	11,400
	<u>11,400</u>
At 31 March 2023	11,400
	<u>11,400</u>
Amortisation and impairment	
At 1 April 2022	-
Amortisation charged for the year	3,800
	<u>3,800</u>
At 31 March 2023	3,800
	<u>3,800</u>
Carrying amount	
At 31 March 2023	7,600
	<u>7,600</u>
At 31 March 2022	-
	<u>-</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2022	1,805,446	103,420	17,735	1,926,601
Additions	10,029	1,338	10,000	21,367
At 31 March 2023	1,815,475	104,758	27,735	1,947,968
Depreciation and impairment				
At 1 April 2022	306,079	84,212	9,575	399,866
Depreciation charged in the year	36,310	3,217	4,540	44,067
At 31 March 2023	342,389	87,429	14,115	443,933
Carrying amount				
At 31 March 2023	1,473,086	17,329	13,620	1,504,035
At 31 March 2022	1,499,367	19,207	8,160	1,526,734

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	28,782	68,279
Other debtors	32,741	10,143
Prepayments and accrued income	5,596	3,225
	67,119	81,647

17 Loans and overdrafts

	2023	2022
	£	£
Bank loans	32,350	41,668
Payable within one year	10,000	10,000
Payable after one year	22,350	31,668

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	17	10,000	10,000
Other taxation and social security		36,216	35,020
Trade creditors		36,835	61,229
Other creditors		16,908	15,846
Accruals and deferred income		104,451	86,877
		<u>204,410</u>	<u>208,972</u>

The Charity currently holds monies on behalf of some residents as custodian trustees. This is a temporary arrangement until the local authority can formally take over this responsibility. In the meantime, these amounts are separately identified in the Charity's accounting records. These monies total £16,908 (2022: £2,093).

19 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	17	<u>22,350</u>	<u>31,668</u>

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
The Leaf Hall Project	<u>4,938</u>	<u>12,737</u>	<u>(9,130)</u>	<u>8,545</u>
Previous year:				
	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
The Leaf Hall Project	<u>-</u>	<u>8,233</u>	<u>(3,295)</u>	<u>4,938</u>

The Leaf Hall Project is a social enterprise project delivered by Eastbourne Mencap, partnered with Our Neighbourhood, to enable our service users to experience working in the community. The project is funded by The Devonshire West Big Local Board created to distribute funds to benefit the local area.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Unrestricted funds - Designated fund

These are unrestricted funds which are material to the charity's activities.

	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Sedgemoor and Framley residents	14,672	-	-	-	14,672
Hive of Activity	14,054	-	-	-	14,054
Functional fixed asset fund	1,526,734	-	(47,635)	21,367	1,500,466
Drama	3,726	-	-	-	3,726
Greensleeves residents	421	-	-	-	421
Arundel Road residents	1,676	-	-	-	1,676
	<u>1,561,283</u>	<u>-</u>	<u>(47,635)</u>	<u>21,367</u>	<u>1,535,015</u>

Previous year:	At 1 April 2021	Incoming resources	Resources expended	Transfers	At 31 March 2022
	£	£	£	£	£
Sedgemoor and Framley residents	14,672	-	-	-	14,672
Hive of Activity	12,000	2,054	-	-	14,054
Functional fixed asset fund	1,521,734	-	(33,915)	38,915	1,526,734
Drama	3,726	-	-	-	3,726
Greensleeves residents	421	-	-	-	421
Arundel Road residents	1,676	-	-	-	1,676
	<u>1,554,229</u>	<u>2,054</u>	<u>(33,915)</u>	<u>38,915</u>	<u>1,561,283</u>

Sedgemoor and Framley, Greensleeves and Arundel Road residents funds were established to hold funds to be used for residents' welfare. These funds were initially set up when money started being donated to the Home rather than Society. This has always been considered a designated fund rather than a restricted one, as the resident may move on after a donation is received, and before it is spent.

The Hive of Activity fund was established to hold donations, gifts and funds towards the costs of the day services. This fund was initially set up when the Society received a grant from the National Lottery towards the running costs of the day service for the first three years after it was set up.

The Functional fixed asset fund was established to exclude funds held as functional fixed assets from general reserves. This is to recognise that these assets are used operationally and their disposal would adversely impact on the charity's ability to deliver its aims. The expense from this fund represents the depreciation charged during the year. The transfers to this fund represents fixed assets purchased or sold during the year.

The Drama fund has been designated by the Trustees for the drama performances and shows put on by The Hive.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	551,392	2,204,272	(2,304,085)	(21,367)	430,212
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2021	Incoming resources	Resources expended	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	649,446	2,058,425	(2,117,564)	(38,915)	551,392
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

23 Analysis of net assets between funds

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2023	2023	2023	2023
	£	£	£	£
Fund balances at 31 March 2023 are represented by:				
Intangible fixed assets	7,600	-	-	7,600
Tangible assets	-	1,504,035	-	1,504,035
Current assets/(liabilities)	444,962	30,980	8,545	484,487
Long term liabilities	(22,350)	-	-	(22,350)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	430,212	1,535,015	8,545	1,973,772
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
	2022	2022	2022	2022
	£	£	£	£
Fund balances at 31 March 2022 are represented by:				
Tangible assets	-	1,526,734	-	1,526,734
Current assets/(liabilities)	583,060	34,549	4,938	622,547
Long term liabilities	(31,668)	-	-	(31,668)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	551,392	1,561,283	4,938	2,117,613
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Financial commitments, guarantees and contingent liabilities

Should the property known as 'Greensleeves', Friday Street, be sold with planning permission for change of use prior to April 2043, 70% of the resultant applicable increase in value will be payable to Eastbourne Borough Council.

The Society sees its overall commitment in terms of providing a 'Home for Life' for those with learning disabilities. Due to its long term and uncertain nature, it is not possible to quantify this commitment.

25 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	4,522	3,562
Between two and five years	14,602	16,324
	<u>19,124</u>	<u>19,886</u>

26 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

27 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(143,841)	(86,062)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,585)	(45)
Gain on disposal of tangible fixed assets	-	(5,079)
Depreciation and impairment of tangible fixed assets	47,867	33,915
Movements in working capital:		
Decrease in debtors	14,528	640,720
(Decrease) in creditors	(4,562)	(72,271)
Cash (absorbed by)/generated from operations	<u>(88,593)</u>	<u>511,178</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

28 Analysis of changes in net funds

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	749,872	(128,094)	621,778
Loans falling due within one year	(10,000)	-	(10,000)
Loans falling due after more than one year	(31,668)	9,318	(22,350)
	<u>708,204</u>	<u>(118,776)</u>	<u>589,428</u>

EASTBOURNE AND DISTRICT MENCAP LIMITED

England & Wales - Charity number 1125686

Accounts



Plummer Parsons
Chartered Accountants

Charity registration number 1125686

Company registration number 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Chartered Accountants
& Statutory Auditor

EASTBOURNE & DISTRICT MENCAP LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D J Long Mr C Mizen Mr S I Wibberley Mrs N E Trimmer Mr A M Norwood Mrs M J Thurstan Mrs M S Stubbs Mrs L Fennell	(Appointed 7 March 2022)
Secretary	Mrs M J Thurstan	
Charity number	1125686	
Company number	06182982	
Principal address	113 Pevensey Road Eastbourne East Sussex BN22 8AD	
Registered office	113 Pevensey Road Eastbourne East Sussex BN22 8AD	
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT	
Solicitors	Gaby Hardwicke 33 The Avenue Eastbourne East Sussex BN21 3YD	

EASTBOURNE & DISTRICT MENCAP LIMITED

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EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of Eastbourne & District Mencap Limited are:

- The relief and care of service users with a learning disability providing help and support for them, their families, dependants and carers.
- The provision of facilities for recreation and leisure activities for service users who have a need as a result of their learning disability with the object of improving the quality of life.

Ensuring our work delivers our aims

It is our aim to put service users at the centre of their own care and with continued assessment and collaboration we strive to provide fulfilling and rewarding lives. Our key objectives are:

- To remain compliant with the latest legislation and company policies.
- To ensure support practice is to the highest quality.
- To ensure support staff receive adequate training to fulfil their roles.
- To promote environments which are professional in service creating a homely atmosphere.
- To promote honesty, integrity and transparency.
- To continuously review, assess and promote independence and good quality of life.
- To work in partnership with outside agencies to ensure optimum care is delivered.
- To offer comprehensive support and supervision and the opportunity to build careers within the company through training, study and personal development plans.
- To ensure there are evidence-based quality assurance systems in place to promote learning, change and improvement.
- To actively encourage relatives and friends of service users to be involved in their lives.
- To ensure service users have the opportunity to be fully involved in the planning and delivery of their own care.
- To ensure service users rights to privacy, refusal, dignity and are respected to the highest regard.

We review our aims, objectives and activities annually looking at our achievements and the outcomes of our work in the previous 12 months. Our review looks at the success of each key activity with the benefits they have brought to those groups of people we are established to help. The review also ensures that we remain focussed on our stated objectives at all times and with reference to the guidance contained in the Charity Commission's 'General Guidance on Public Benefit' we focus on planning our future activities to enhance the welfare of our service users. We strongly believe in supporting and encouraging our service users to exercise their own beliefs, but do not feel we can or should advance.

Focus and Values

Our ethos and values are the foundation of everything we do. We constantly work to guarantee that we are recognised as a provider that offers compassion, dedication and a strong commitment to delivering the highest standards of individualised care and support and to ensure that all practices are relevant, of the highest quality, are appropriate and specific to the needs of each service user. Our key values for all service users are:

Choice - We ensure that our service users receive the best possible support they can get to enable them to make decisions and have choice.

Privacy - We ensure that our service users have the right to privacy on their own terms.

Partnership - We ensure we work in collaboration with the wider community with specialists and other agencies to offer the most effective and comprehensive support packages.

Independence - Where possible we activity support our service users to have as much control over their lives as possible to enable them to lead enriching and fulfilling lives.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Evidence Based - We ensure that all our care and support is consistently delivered and reviewed regularly to find optimum approaches and strategies that are appropriate for the individual's needs.

Technology - We use award winning electronic technology to record everything in accordance with current CQC requirements.

Training – We ensure our managers and teams receive relevant and appropriate training to deal with the demand and challenges of their roles.

In order to assess the success of the charity's operation during the year the Trustees monitor the following areas:

- The level of occupancy in the homes relative to the number of bedrooms.
- The number of people attending our daytime activities.
- The happiness of our beneficiaries whilst in our care.
- The expenditure relative to the approved budget.

Our Services

The Trustees have paid due regard to the Public Benefit guidance issued by the Charity Commission in deciding what activities the Charity should undertake: our main activities and who we try to help are described below. All of our charitable activities focus on the care and support of those with a learning disability and are undertaken to further our charitable purposes.

Our referrals come from various sources including local authorities, family members, colleges and schools. Equal access is important to us as we do not discriminate on access to our services by gender, sexual orientation or ethnicity. We may refuse access to those who have the potential to cause serious disruption to other service users and our teams or, potential service users who's needs we cannot meet or we feel may lack compatibility with others within the service. Our residential services are restricted by the Care Quality Commission to adults over 18.

We are committed to delivering support that is tailored to individual needs by personalising our services as far as this is possible. Our teams work closely with our residential service users and day service users in promoting choice for the activities they wish to participate in. In our homes and day care centre they ensure service users participate in all decision making to empower and encourage involvement. By taking an active role with the necessary support and personalised care in a way they choose helps to meet their needs. We continue to use a digital care management system supplied by Nourish that is personalised around each service user to enable us to deliver an effective and responsive support that records the quality care that we strive to achieve.

The services that we offer are detailed below.

Residential Care Homes

The charity runs residential care homes in Eastbourne, 4 Mill Road (Framley), 11 Friday Street (Greensleeves), and 27 Arundel Road which are individually registered by the CQC. As a local charity our priority and preference is to focus our activity locally but if we have vacancies that cannot be filled from our local catchment we will bring in service users from outside the area. The Board believe that attracting service users from outside our area is more favourable than allowing long-term vacancies with the potential financial cost implications.

Service users moving into one of our homes are assured that they can stay for as long as they wish, our policy being that it is 'a home for life', however they are free to move elsewhere at any time if they so wish and if their needs change. If we become unable to care for them then a move to a nursing or other specialist home may be necessary. We always take this issue very seriously and if the need for a move is deemed necessary we will work very closely with all parties to ensure a suitable place is found. If we are unable to meet the individual needs of a service user notice will be given to the placing authority: the notice period given is 28 days.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

4 Mill Road (Framley)

This home provide accommodation for service users with learning and physical disabilities in 10 en-suite bedrooms in single occupancy. The manager and teams continue with the objective of delivering outstanding person-centred care whilst maintaining the service users' individual skills and interests to take an active role within the community joining local churches, volunteer groups and become season ticket holders to the local football team. We continue to receive referrals for people who need higher levels of support who also have a higher degree of mental health challenges.

11 Friday Street (Greensleeves)

This home has 9 single bedrooms with en-suite facilities. We have had single vacancy throughout the year which has been difficult to fill, as being on the first floor it is only suitable for a service user with a degree of mobility. We are seeing a decline in the mobility of service users that puts pressure on our shared communal spaces which become overcrowded and there are times when we are struggling for space. We are continuing to re-negotiate care packages with ESCC to increase funding to satisfy user needs due to the increased demands on the staff at the home.

27 Arundel Road

This home has 9 service users and is fully currently occupied. The manager and team in this service have worked hard to address long standing health issues with the service users resulting in improved life change to all. There has been positive management of the increase in service user demands and the home has been successful in re-negotiating fees with ESCC to enable increased 1:1 support.

During the year negotiations were completed with Southdown Housing assigning the leasehold at 27 Arundel Road to Eastbourne Borough Council who are now responsible for the lease. The charity will continue to carry out improvements to the service and our occupancy will continue rent free.

Supported Living

9 Friday Street (Holmworth)

The charity provides supported accommodation for two adults with a learning disability in a bungalow under a tenancy agreement with the funding for this provided by housing benefit. Each tenant has an individual contract which will allow them to decide how they receive their support.

The Trustees believe there will be an increase in demand for supported living for people with learning disabilities in the future particularly those who are older and those who require high levels of support we will be look towards developing our supported living provision in the future.

Day Care Services

The Hive, 113 Pevensy Road

Our Day Care Centre in Eastbourne provides meaningful workshops and activities for learning disability users and respite for their respective carer in the community. The various activities are chosen by those who attend in order to support their needs and is available for use by individuals with learning disabilities in the community. The service is funded by the services users either from East Sussex County Council with contracts to provide the service or from personal support.

Having seen a reduction in the number of users when opening after Covid-19 The Hive has seen a return to normal levels with user confidence returning. The manager and team has worked hard to increase the profile of our day care services with the result that attendance is currently near full capacity with continued demand. We are though noticing that a lot of the referrals we are receiving are for those service users that require a higher level of support which is difficult to accommodate.

We have been working with the government Kickstart Scheme programme during the year which provides funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment. We are currently supporting one person at The Hive on this scheme.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

A grant from the Devonshire West big lottery has been received for £8,034 to enable us to work in partnership with another local community group - Our Neighbourhood - to fund a social enterprise project in Eastbourne to teach a group of people attending the day care centre skills in the hospitality industry. This enterprise is called the New Leaf Café and it opens once a week to provide a two course lunch and is becoming a popular activity attracting a lot of interest in the community.

The Hive runs a programme of comprehensive workshops which are held 5 days a week for in blocks of 6-week sessions throughout the year which continue to prove successful with our service users. Between 20 to 35 attending daily enjoying a choice of up to 25 activities which take place in small groups selected by the service users and are designed for all attending to achieve an end goal. Each workshop has a step-by-step detailed plan which is discussed with the service users at the beginning of every session. They are tailored to individuals needs so that everyone attending is engaged, able to contribute and derive personal benefit especially with those that involve going out into the wider community.

ASDAN accredited workshops have been introduced. ASDAN programmes and qualifications are widely recognised by educators for providing an engaging curriculum that empowers service users through personalised learning and choice. The courses motivate and enhance service users'.

Headquarters

Our head office support centre for the management and administration of the Charity continues to be the first-floor office accommodation in 113 Pevensey Road.

Our Community

Networking

We continue have working relationships with various groups throughout the year, including East Sussex County Council Support, The Job Centre, St Wilfred's Hospice, Chamber of Commerce, Leaf Hall and Disability Confident, we also ensure our attendance at various liaison meetings and provider forums in the voluntary sector. During the year we have become a member of the East Sussex Registered Care Home Association to enable us to seek further support and obtain relevant information when we looking into current changes that will affect us. We have also engaged with the local college to offer work experience to students working toward a qualification in adult social care throughout our services. It is critical importance to maintaining a close working relationship with our key stakeholders, ESCC and the CQC. Our CEO is in close contact with both to ensure we remain aligned.

Branding and Social Media

We continue to feel that the reference to Mencap restricts our fund-raising potential as people are unaware that we are independent from the national Mencap charity; our intended rebranding has not proceeded as intended. A consensus was reached by the membership on the concept of a name change but it was not reached as to what that name would be and it was felt the membership were not given sufficient involvement with the exercise. Due to the Covid-19 virus this has been put on hold but will be addressed further at the next AGM.

We have seen a rise in our social media engagement on our Facebook page and we have used this platform to promote Eastbourne Mencap to increase its profile and its services and to advertise for job vacancies. We will be looking to update our website content in the near future.

Staff & Training

Recruitment

There are considerable pressure industry pressures surrounding recruitment and retention of staff which we are not immune to. We have taken steps to improve our terms of employment which has had a positive impact and strive to employ the best staff available to us but unfortunately we still have vacancies to fill.

Training

The charity continues to offer mandatory training to meet the CQC regulations. Government quotas for the percentage of the workforce who need to be trained at Diploma level change frequently; from the start the charity has always exceeded any of the requirements.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2022**

We have developed a yearly training programme with the support from On Target Training and other providers to ensure that all of the staff have the opportunity to attend regular training. New staff that join the organisation undergo an intensive induction programme before they can commence hands on work. Alongside the ESCC training portal to access staff training we now have the use of internet based training provided by Hippo and have found this to be very effective as staff can undertake training at any time and it enable us to provide comprehensive training to new employees during their induction period.

We are encouraged by the strength of the management team who all have specific area of expertise and interest that benefit the Charity and we continue to encouraging them to take the lead in delivering and developing specific training areas Training and personal development needs are discussed with staff during supervision and yearly appraisal when staff are encouraged to attend additional training for personal development and to benefit to Charity in the service it provides. During the year we have enrolled our manager at Arundel Road on an NVQ Level 5 course, and we congratulate our manager from Greensleeves who has successfully completed the NVQ Level 5. We have also enrolled 6 staff members on a NVQ Level 3 course. Funding for these NVQ courses is subsidised by government grant.

Achievements and performance

The core operational challenges for the 2021/22 have continued to revolve around the impacts of the Covid-19 pandemic with staffing challenges and increased costs of managing the virus; those costs increases have been mitigated in part by Government 'Covid' funding paid by ESCC. Turnover from charitable services provided is slightly up on the previous year at £2,052,945 with reported deficit for 2021/22 of £86,062 which though disappointing would have been more unfavourable without the funding received. The increasing care needs of our residents, the lack of 'appropriate' funding and the increasing regulatory environment in which we operate continues to be a significant factor that affects the financial performance of the Charity. Going forwards into 2022/23 we are hopeful for an easing of this pressure following assurances from Government that additional funding would be made available to our sector.

We continue to negotiate with ESCC regarding our current bed fees and the changing needs of the service users within our residential services. Each service user is assessed individually but historically this has not been carried out with the regularity that it should be so the costs of running our services, have run ahead of the fees we receive. This is of a greater concern moving into 2022/23 as the significant increase in costs throughout the economy are yet to be felt. We have therefore put into place improved financial management processes and budgetary controls with management input which we trust will benefit the Charity going forwards.

There continues to be a long-term reliance on agency staff to support the business specifically during these challenging periods resulting in a spend of £286k for 2021/22 a considerable increase on the previous year. The loss of staff in our homes due to the government's decision to only allow vaccinated staff to be able to work in residential services left us with staff shortages so the need to use agency staff increased. It remains a primary focus for 2022 /23 to reduce our dependence on the use of agency staff and to continually review the levels of pay for all staff to ensure where possible we have a pay structure to attract and retain staff.

Our other primary focus for 2022/23 is to ensure all rooms are occupied as the financial consequence of lost fees has a critical impact on the financial performance of the Charity.

The continual increase in the number of service users that use our day service and attend workshops together with the positive management we look towards increasing this source of income in 2022/23.

There have been no significant donations or legacies received during the year to be advised in this report.

Covid-19

We are still having to deal with the additional pressures of the Covid-19 virus within all of our services with Mill Road in crisis over the Christmas period. Support was given by ESCC to allow the home to continue to provide the service and we received additional support with infection control and providing meals. All managers, staff and service users have coped exceptionally well in these trying times and everybody has pulled together as an organisation to manage these challenges. In continuing to manage Covid-19 we maintain the following actions:

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

- Risk assessments for staff and service users - reviewed fortnightly.
- PPE equipment is worn at all times.
- During lockdown only staff employed to work in the home are allowed to enter.
- Staff who showed signs of Covid-19 must self-isolate.
- Infection control measures with additional hand sanitiser and handwashing facilities provided.
- Regular staff updates and training on Covid-19 measures.
- Weekly letters, telephone calls and Skype meetings between service users and family members so they can remain in contact.
- Action plans so that the homes have clear guidance to follow should the need arise.

Financial review

Donations and legacies amounted to £6k in the year – a reduction on the previous year

Our total income for the year was £2,068k down £273k compared to the previous year 2020/21. However the previous years results included the non-recurrent gain on the sale of No2 Mill Road and some COVID grant funding. Our underlying income excluding these one-off elements was £1,941k up very slightly from the prior year. Our core expenditure was £2,154k up by £281k on the prior year.

Our main areas of expense continue to be agency fees and staffing costs.

The operational challenges presented by several management changes has led to increased costs which have now been reversed with a range of measures. The Board is working closely with the senior management and our accountants to ensure a sustainable operational is maintained. I am pleased to report that within the current financial year, we are forecasting a small surplus.

Reserves policy

The purpose of the Charities reserves is to secure the future of our services, to fund projects and to fund future building needs to meet the needs of our service users. The Trustees have reviewed the charity's requirements for reserves in the light of the main risks to our operations.

Reserves are required:

- (a) to provide funds which can be designated for specific projects to enable these projects to be undertaken at short notice; and
- (b) to cover administration, fundraising and support costs without which the charity could not function; and
- (c) to cover the funds held as functional fixed assets without which the charity could not deliver adequate care to its residents and to avoid the necessity of realising fixed assets held for the charity's use.

Funds held as functional fixed assets are designated and excluded from the calculation of reserves. This recognises that these assets are used operationally and their disposal would adversely impact on our ability to deliver care to our beneficiaries. The level of reserves is monitored and reviewed by the Trustees on an ongoing basis.

The level of free reserves required to achieve this amount had been approved by the Trustees at £300,000 which is the sum the Trustees consider necessary to cover ongoing costs if there is a delay in receiving funding from East Sussex County Council. As at the year end, free reserves, which had not been designated for a specific use, stood £551,392 which is slightly above the minimal target set.

Total funds at the end of the year amounted to £2,117,613 of which £1,561,283 was designated. Of these designated funds £1,526,734 relate to fixed assets which are required for the charity to carry out its operations and hence, are not available for distribution. The designated funds were established by the charity to designate funds for ongoing activities in these areas.

There were restricted funds of £4,938 at the end of the year. These funds represent the balance of monies received from the Devonshire West Big Local Board for The Leaf Hall Project. This is a social enterprise project run in conjunction with Our Neighbourhood to enable service users to experience working in the community.

Cash and Cash Equivalents have increased to £749,871 from £280,817. Over the years, building maintenance has not sufficiently been carried out and therefore the Board have decided to look at using free reserves and/or borrowing, to improve the condition of our buildings.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2022**

Funding

Apart from legacies and fundraising the principal funding sources for the charity are currently by way of grants and contract income from East Sussex County Council and other placing authorities. The level of much of this funding is fixed according to the level of support required for each resident and this allows us to provide appropriate housing/support/care for their particular basic needs. Whilst ESCC endeavour to review the Care Funding Calculation for each user, every 12 months, this isn't always achieved due to competing priorities. We are still pushing hard for out-of-date reviews to be concluded as a matter of urgency so we have up to date CFCs in place. The minimum/living wage legislation is expected to continue to place pressure on our operating costs as increases are anticipated in the coming years. We continue to work closely with ESCC to ensure the support package we receive is in line with what is needed.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are held in short term deposits.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The process of identifying, evaluating and managing the major risks to which the charity is exposed has continued throughout the year. Where any such weaknesses have been identified, appropriate systems or procedures have been established to mitigate risks the charity faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with all relevant legislation including health and safety, equal opportunities, service users' welfare, moving and handling, fire awareness, medication, food hygiene and others. An Internal Audit system is in place whereby the Chief Operating Officer carries out monthly checks to ensure policies, procedures and safeguarding issues are being correctly carried out and recorded.

Our current focus moving forwards are:

- Recruiting and retaining good quality staff to reduce the impact of agency costs.
- Maximising our income streams at all times with full occupancy and to work in consultation with ESCC to uplift service user fees to appropriate levels.
- We need to expand the depth, experience and number of Trustees – the Board is actively seeking new people to join the Board. There have been a number of changes at Board level during and after the year-end and this remains a key priority – but difficult to proactively manage.
- Continued review of our main charitable objectives so they remain relevant and in tune with the founding principles, also ensuring they are achievable.

Structure, governance and management

The Charity is a charitable company limited by guarantee incorporated on 26 March 2007 and registered as a charity on 2 September 2008. The Company was established under a Memorandum of Association which established the powers of the Charitable Company and is covered by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The company took over the assets and liabilities of the unincorporated charity, Eastbourne & District Mencap, which was formed in 1949.

Full legal and administrative information is displayed on the flysheet to the accounts prior to the contents page. The current Trustees are:

Mr D J Long

Mr C Mizen

Mr S I Wibberley

Mr P Lott

(Resigned 22 June 2021)

Mrs N E Trimmer

Mr A M Norwood

Mrs M J Thurstan

Mrs M S Stubbs

Mrs L Fennell

(Appointed 7 March 2022)

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2022**

The directors of the company are also Charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the Memorandum and Articles of Association all the Officers and seven members are appointed each year at the AGM or an EGM in accordance with the Articles to hold office until the end of the next AGM. The whole membership is invited to nominate members for election. The Board may co-opt up to four additional people (who may, but do not need to be members of the Society) being persons having a special interest in and qualifications for furthering the work of the charity.

All Trustees are already familiar with the practical work of the charity, and after appointment they are required to visit the homes and day services on a regular basis and report back to the next meeting and encouraged to participate in the various sub-committees.

All members of the Management Committee give their time voluntarily and receive no benefits from the charity except the learning-disabled representative. Any expenses reclaimed from the charity are set out in the notes to the accounts. All directors who have claimed expenses have made a donation at least equivalent to the expenses claimed.

The Management Committee seeks to ensure that the needs of the learning disabled are reflected through diversity on the Trustees body.

The more traditional business and care skills are well represented on the Management Committee.

When seminars are arranged locally Trustees are invited to attend. New trustees are provided with information outlining their responsibilities as Trustees and Directors. This includes extracts from the Companies House website as well as the guidance from the Charity Commission - "The Essential Trustee".

A Management Committee of up to twelve meets monthly and administers the charity, covering policy, membership and finance. At present the Committee has eight members from a variety of professional and caring backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO and the Service Managers. The CEO is responsible for ensuring that the charity delivers the services specified and that performance indicators are met. The Service Managers are responsible for the day to day running of their particular service under the overall supervision of the CEO.

Major decisions on future policies are taken to a general meeting for the approval of members.

In so far as it is complementary to the charity's objects, the charity is guided by both local and national policy. We continue to work with others to achieve the goals of "Personalisation - Personal Choice", "Valuing People Now" and "Getting it Right" campaigns. We have kept abreast of and complied with the new requirements of the Government, Social Services, Care Quality Commission, Health and Safety and others.

People

The Trustees would like to put on record their gratitude for the loyal and dedicated support from all staff throughout the year. The Trustees would also like to thank the retired Trustees for their hard work in the past.

The Trustees appreciate the time spent by volunteers, and employees working as volunteers outside their working hours, helping with the work of the charity, and recognise the risk of costs increasing if this had to be done by paid staff.

The Trustees appreciate the support the charity receives from the public both individuals and local organisations particularly those who have given donations and legacies without which the charity's work would have to be curtailed.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Asset cover for funds

Note 21 sets out an analysis of the assets attributable to the various funds and a description of the trusts.

These assets are sufficient to meet the charity's obligations on a fund-by-fund basis.

We predict that financial pressures will continue during the coming year as the charity continues to have to employ staff to meet the increasing number of regulations and volume of paperwork relating to the work carried out by the charity.

Funds held as custodian trustee

The charity holds some monies on behalf of residents as custodian trustees. These monies are not assets of the charity and therefore the bank balances and corresponding creditors have been eliminated from the accounts.

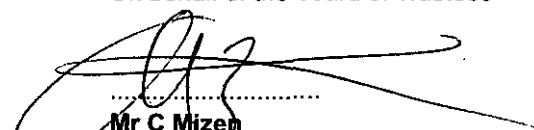
Auditor

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditor of the company will be put at a General Meeting.

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

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006.

On behalf of the board of Trustees


.....
Mr C Mizen
Trustee
Dated: 14.2.2022

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the directors of Eastbourne & District Mencap Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Opinion

We have audited the financial statements of Eastbourne & District Mencap Limited (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

In forming our opinion on the accounts, which is not modified, we have considered the adequacy of the disclosure made in note 20 regarding long term commitments. This note states that it is not possible to quantify the commitment in respect of the provision of a 'Home for Life' for those with learning disabilities. The Statement of Recommended Practice for charities requires financial quantification of such commitments and therefore in this respect the disclosure is restricted.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

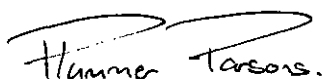
EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Plummer Parsons

16 December 2022

**Chartered Accountants
Statutory Auditor**

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	3,911	2,054	-	5,965	30,135
Charitable activities	4	2,044,911	-	8,034	2,052,945	1,994,166
Other trading activities	5	-	-	199	199	-
Investments	6	45	-	-	45	117
Other income	7	9,558	-	-	9,558	318,184
Total income		2,058,425	2,054	8,233	2,068,712	2,342,602
<u>Expenditure on:</u>						
Raising funds	8	2,380	-	-	2,380	-
Charitable activities	9	2,115,184	33,915	3,295	2,152,394	1,873,404
Total expenditure		2,117,564	33,915	3,295	2,154,774	1,873,404
Net (outgoing)/incoming resources before transfers		(59,139)	(31,861)	4,938	(86,062)	469,198
Gross transfers between funds		(38,915)	38,915	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(98,054)	7,054	4,938	(86,062)	469,198
Fund balances at 1 April 2021		649,446	1,554,229	-	2,203,675	1,734,477
Fund balances at 31 March 2022		551,392	1,561,283	4,938	2,117,613	2,203,675

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	103	30,032	30,135
Charitable activities	4	1,828,426	165,740	1,994,166
Investments	6	117	-	117
Other income	7	25,151	293,033	318,184
Total income		1,853,797	488,805	2,342,602
<u>Expenditure on:</u>				
Charitable activities	9	1,619,960	253,444	1,873,404
Total expenditure		1,619,960	253,444	1,873,404
Net (outgoing)/incoming resources before transfers		233,837	235,361	469,198
Gross transfers between funds		285,126	(285,126)	-
Net (expenditure)/income for the year/ Net movement in funds		518,963	(49,765)	469,198
Fund balances at 1 April 2020		130,483	1,603,994	1,734,477
Fund balances at 31 March 2021		649,446	1,554,229	2,203,675

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Property, plant and equipment	14		1,526,734		1,521,734
Current assets					
Trade and other receivables	15	81,648		722,367	
Cash at bank and in hand		749,871		280,817	
		831,519		1,003,184	
Current liabilities	17	(208,972)		(279,576)	
Net current assets			622,547		723,608
Total assets less current liabilities			2,149,281		2,245,342
Non-current liabilities	18		(31,668)		(41,667)
Net assets			2,117,613		2,203,675
Income funds					
Restricted funds	19		4,938		-
<u>Unrestricted funds</u>					
Designated funds	20	1,561,283		1,554,229	
General unrestricted funds		551,392		649,446	
			2,112,675		2,203,675
			2,117,613		2,203,675

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2022

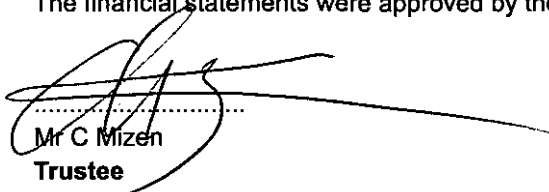
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

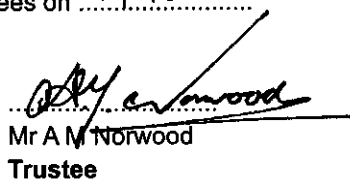
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 14.12.22


Mr C Mizen
Trustee


Mr A M Norwood
Trustee

Company registration number 06182982

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		511,176		(273,627)
Investing activities					
Purchase of property, plant and equipment		(38,914)		(488,068)	
Proceeds on disposal of property, plant and equipment		5,079		681,070	
Investment income received		45		117	
Net cash (used in)/generated from investing activities			(33,790)		193,119
Financing activities					
(Repayment of)/ receipt of bank loans		(8,332)		50,000	
Net cash (used in)/generated from financing activities			(8,332)		50,000
Net increase/(decrease) in cash and cash equivalents			469,054		(30,508)
Cash and cash equivalents at beginning of year			280,817		311,325
Cash and cash equivalents at end of year			749,871		280,817

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Eastbourne & District Mencap Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 113 Pevensey Road, Eastbourne, East Sussex, BN22 8AD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. Further details of these funds can be found in note 18 to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

All incoming resources are recognised in the Statement of Financial Activities once the charity has gained entitlement to them and the amounts can be quantified with sufficient reliability. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of legacies, donations and gifts and other voluntary income is included in full in the Statement of Financial Activities when receivable. Legacies are recognised in the accounts once there is sufficient evidence that the charity is entitled to such income, provided that the amount receivable can be quantified with relative accuracy.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Provision of services - income for the provision of residential and day care services is recognised for the period covered by the service.
- Investment income is recognised in the financial statements when receivable.
- Other trading income is recognised in the financial statements when receivable.

The charity is not registered for VAT. All income is net of trade discounts.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities

Governance costs are shown in the notes to these accounts and include those costs associated with meeting the statutory requirements of the charity and includes its audit fees and costs linked to the strategic management of the charity.

Costs are recharged to individual activities in proportions agreed by the trustees to reflect the respective absorption by each sector of activities.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Buildings	50 years straight line
Fixtures, fittings & equipment	4 years straight line
Motor vehicles	25% reducing balance

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Only vehicles and new items of an individual value in excess of £1,000, where the estimated useful economic life exceeds 4 years, are capitalised by the charity.

1.7 Impairment of non-current assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

If material, 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Pension contributions made into a Defined Contribution pension scheme are recognised when made.

1.12 Funds held as custodian trustee

The charity currently holds monies on behalf of some residents as custodian trustees. In the meantime, these amounts are separately identified in the charity's accounting records. These monies are not assets of the charity and therefore the relevant bank balance and corresponding creditors have been eliminated from the accounts.

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.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Donations and gifts	3,066	2,054	5,120	103	20,032	20,135
Legacies receivable	-	-	-	-	10,000	10,000
Membership fees	845	-	845	-	-	-
	<u>3,911</u>	<u>2,054</u>	<u>5,965</u>	<u>103</u>	<u>30,032</u>	<u>30,135</u>

4 Charitable activities

	Homes 2022 £	Day services 2022 £	Total 2022 £	Total 2021 £
Services provided under contract	1,759,406	181,790	1,941,196	1,922,583
Grants	98,481	13,268	111,749	71,583
	<u>1,857,887</u>	<u>195,058</u>	<u>2,052,945</u>	<u>1,994,166</u>
Analysis by fund				
Unrestricted funds - general	1,857,887	187,024	2,044,911	1,828,426
Unrestricted funds - designated	-	-	-	165,740
Restricted funds	-	8,034	8,034	-
	<u>1,857,887</u>	<u>195,058</u>	<u>2,052,945</u>	<u>1,994,166</u>
For the year ended 31 March 2021				
Unrestricted funds - general	1,828,426	-	-	1,828,426
Unrestricted funds - designated	50	165,690	-	165,740
	<u>1,828,476</u>	<u>165,690</u>	<u>-</u>	<u>1,994,166</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

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

5 Other trading activities

	Restricted funds	Total
	2022 £	2021 £
Other trading income	199	-

6 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	45	117

7 Other income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Net gain on disposal of tangible fixed assets	5,079	-	293,033	293,033
Other income	-	8	-	8
Government grants	4,479	25,143	-	25,143
	9,558	25,151	293,033	318,184

Government grants received during the year consisted of:

Business Support grant	£Nil	(2021: £10,000)
Coronavirus Job Retention Scheme grants	£4,479	(2021: £15,143)

8 Raising funds

	Unrestricted funds general 2022 £	Total 2021 £
Fundraising and publicity	2,380	-
Other fundraising costs	2,380	-

EASTBOURNE & DISTRICT MENCAP LIMITED

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

9 Charitable activities

	Homes 2022 £	Day services 2022 £	Total 2022 £	Homes 2021 £	Day services 2021 £	Total 2021 £
Staff costs	1,490,971	137,472	1,628,443	1,246,449	97,477	1,343,926
Depreciation and impairment (See note 13)	33,915	-	33,915	86,742	600	87,342
Direct costs	62,725	21,207	83,932	55,648	7,720	63,368
Rent and rates	16,773	350	17,123	16,833	2,645	19,478
Insurance costs	14,298	1,189	15,487	11,022	1,945	12,967
Light and heat	23,149	5,029	28,178	25,400	2,416	27,816
Repairs and renewals	33,334	13,072	46,406	36,158	24,763	60,921
Telephone costs	5,347	1,583	6,930	9,785	1,074	10,859
Printing, postage, stationery and computer costs	12,562	869	13,431	21,285	1,828	23,113
Motor expenses	21,736	13,463	35,199	22,200	-	22,200
Travel costs	3,252	35	3,287	179	-	179
Sundry and other expenditure	20,692	1,083	21,775	18,358	1,824	20,182
	<u>1,738,754</u>	<u>195,352</u>	<u>1,934,106</u>	<u>1,550,059</u>	<u>142,292</u>	<u>1,692,351</u>
Share of support costs (see note 10)	164,182	28,974	193,156	147,038	25,948	172,986
Share of governance costs (see note 10)	21,362	3,770	25,132	6,857	1,210	8,067
	<u>1,924,298</u>	<u>228,096</u>	<u>2,152,394</u>	<u>1,703,954</u>	<u>169,450</u>	<u>1,873,404</u>
Analysis by fund						
Unrestricted funds - general	1,890,383	224,801	2,115,184	1,593,070	26,890	1,619,960
Unrestricted funds - designated	33,915	-	33,915	110,884	142,560	253,444
Restricted funds	-	3,295	3,295	-	-	-
	<u>1,924,298</u>	<u>228,096</u>	<u>2,152,394</u>	<u>1,703,954</u>	<u>169,450</u>	<u>1,873,404</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	137,212	-	137,212	141,680	-	141,680
Depreciation	-	-	-	2,285	-	2,285
Direct costs	13,033	-	13,033	2,915	-	2,915
Light and heat	-	-	-	981	-	981
Repairs and renewals	335	-	335	121	-	121
Telephone	7,696	-	7,696	3,730	-	3,730
PPS and computer costs	27,901	-	27,901	17,735	-	17,735
Sundry costs	6,979	-	6,979	3,539	-	3,539
Audit fees	-	12,702	12,702	-	5,052	5,052
Accountancy	-	2,546	2,546	-	1,068	1,068
Legal and professional	-	9,884	9,884	-	1,947	1,947
	<u>193,156</u>	<u>25,132</u>	<u>218,288</u>	<u>172,986</u>	<u>8,067</u>	<u>181,053</u>
Analysed between						
Charitable activities	<u>193,156</u>	<u>25,132</u>	<u>218,288</u>	<u>172,986</u>	<u>8,067</u>	<u>181,053</u>

Governance costs includes payments to the auditors of £12,702 (2021- £5,052) for audit fees and £2,546 for accountancy fees and other services (2021- £1,068).

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

During the year, no Trustees were reimbursed for any expenses (2021- no Trustees were reimbursed for any expenses).

The charity was under the control of the directors throughout the year.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration staff	4	5
Direct and support staff	70	74
	<u>74</u>	<u>79</u>

Employment costs

	2022 £	2021 £
Wages and salaries	1,351,993	1,234,172
Social security costs	102,834	82,541
Other pension costs	24,401	20,753
	<u>1,479,228</u>	<u>1,337,466</u>

The remuneration paid to Key Management Personnel amounted to £68,463 (2021: £64,567) during the year.

Due to the nature of the charity's operations, it is often necessary for agency staff to be engaged to cover staff shortages. The charity engages agency staff via reputable agencies. The agency staff used have the relevant skills and abilities required so as to maintain the charity's high standards. These individuals are employed by the agencies, who retain all responsibilities and requirements associated with employment. These include, but are not limited to, remuneration packages, disciplinary procedures, holiday entitlements and employment law considerations. The total costs for agency staff during the year was £286,423 (2021: £148,140).

The charity operates a defined contribution pension scheme. During the year, employer contributions into the scheme amount to £24,401 (2021: £20,753).

During the year total redundancy payments of £2,448 (2021: £2,500) and termination payments of £6,634 (2021: £Nil) were paid to former employees.

There were no employees whose annual remuneration was £60,000 or more.

13 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2022 £	2021 £
In respect of:		
Property, plant and equipment	<u>-</u>	<u>58,370</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Impairments

(Continued)

In the previous year the charity spent a total of £525,622 renovating one of its properties, 4 Mill Road. The costs relating to this renovation were capitalised and included as Assets under Construction. At the end of the year to 31 March 2021, Assets under Construction were transferred to freehold property and the trustees undertook an impairment review of the renovated property. As a result of this review, the trustees consider that the original cost of the property plus the renovations costs exceed the property's present market value by £58,370. This amount was charged to the Statement of Financial Activities under Charitable Activities during the year ending 31 March 2021.

14 Property, plant and equipment

	Buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2021	1,786,172	83,779	43,471	1,913,422
Additions	19,274	19,640	-	38,914
Disposals	-	-	(25,736)	(25,736)
At 31 March 2022	1,805,446	103,419	17,735	1,926,600
Depreciation and impairment				
At 1 April 2021	277,575	70,641	43,471	391,687
Depreciation charged in the year	28,504	13,571	(8,160)	33,915
Eliminated in respect of disposals	-	-	(25,736)	(25,736)
At 31 March 2022	306,079	84,212	9,575	399,866
Carrying amount				
At 31 March 2022	1,499,367	19,207	8,160	1,526,734
At 31 March 2021	1,508,596	13,138	-	1,521,734

More information on the impairment arising in the year is given in note 13.

All of the above assets are held for the charity's own use on direct charitable activities.

The charity owns the reversionary rights to the property known as Arundel Road.

During the year to 31 March 2022, the Trustees agreed to change the method of depreciating its motor vehicles from four years on a straight line basis, to 25% on a reducing balance basis. This revised method has been adopted as it better reflects the entity's consumption of the motor vehicles over their useful lives.

This change has resulted in an adjustment to depreciation in the current year of £8,160.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year:		
Trade receivables	68,280	35,269
Other receivables	10,143	576,702
Prepayments and accrued income	3,225	110,396
	<u>81,648</u>	<u>722,367</u>

16 Borrowings

	2022 £	2021 £
Bank loans	41,668	50,000
Payable within one year	10,000	8,333
Payable after one year	31,668	41,667

17 Current liabilities

	Notes	2022 £	2021 £
Bank loans	16	10,000	8,333
Other taxation and social security		35,020	26,523
Trade payables		61,229	158,555
Other payables		15,846	3,945
Accruals and deferred income		86,877	82,220
		<u>208,972</u>	<u>279,576</u>

The charity currently holds monies of behalf of some residents as custodian trustees. This is a temporary arrangement until the local authority can formally take over this responsibility. In the meantime, these amounts are separately identified in the charity's accounting records. These monies are not assets of the charity and therefore the relevant bank balance and corresponding creditors totaling £2,093 (2021: £21,592) have been eliminated from the accounts.

18 Non-current liabilities

	Notes	2022 £	2021 £
Bank loans	16	31,668	41,667

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
The Leaf Hall Project	-	-	8,233	(3,295)	4,938

The Leaf Hall Project is a social enterprise project delivered by Eastbourne Mencap partnered with Our Neighbourhood to enable our service users to experience working in the community. The project is funded by the Devonshire West Big Local Board created to distribute funds to benefit the local area.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Transfers £	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Sedgemoor and Framley residents	5,654	16,089	(7,071)	-	14,672	-	-	-	-	14,672
Hive of Activity	60,715	165,743	(118,855)	(95,603)	12,000	2,054	-	-	-	14,054
Minibus fund	21,137	49	(22,200)	1,014	-	-	-	-	-	-
Functional fixed asset fund	1,511,331	293,033	(89,628)	(193,002)	1,521,734	-	(33,915)	38,915	-	1,526,734
Meeting and sensory room	(136)	-	-	136	-	-	-	-	-	-
Sedgemoor and Framley lift	1,494	-	-	(1,494)	-	-	-	-	-	-
Drama	3,799	227	(300)	-	3,726	-	-	-	-	3,726
Sedgemoor and Framley redevelopment	-	-	(3,823)	3,823	-	-	-	-	-	-
Greensleeves residents	-	11,635	(11,214)	-	421	-	-	-	-	421
Arundel Road residents	-	2,029	(353)	-	1,676	-	-	-	-	1,676
	1,603,994	488,805	(253,444)	(285,126)	1,554,229	2,054	(33,915)	38,915	-	1,561,283

Sedgemoor and Framley, Greensleeves and Arundel Road Residents Funds were established to hold funds to be used for residents' welfare. These funds were initially set up when money started being donated to the Home rather than the Society. This has always been considered a designated fund rather than a restricted one as a resident may move on after a donation is received and before it is spent.

The Hive of Activity Fund was established to hold donations, gifts and funds received towards the costs of the day service. This fund was initially set up when the Society received a grant from the National Lottery towards the running costs of the day service for the first three years after it was set up.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

20 Designated funds (Continued)

The Minibus Fund was established to hold donations, gifts and funds to pay for the transport, including replacement of the vehicles, used by the residents in the charity's homes. Due to the source of these donations this fund does not pay for the transport or replacement of vehicles used for the day services. Now that this fund has been fully utilised, a final fund transfer was included in the year ending 31 March 2021 to cover any excess expenditure from unrestricted funds.

The Functional fixed asset fund was established to exclude funds held as functional fixed assets from general reserves. This is to recognise that these assets are used operationally and their disposal would adversely impact on the charity's ability to deliver its aims. The expense from this fund represents the depreciation charged during the year. The transfer to this fund represents fixed assets purchased/sold during the year.

The Meeting & Sensory room fund relates to monies donated and subsequently spent to launch and run the Meeting & Sensory room. Now that this project has been finalised, the overdrawn balance has been cleared by a transfer between funds at the end of the year ending 31 March 2021.

The Sedgemoor and Framley redevelopment and lift funds represents monies raised towards the substantial work required at Sedgemoor & Framley. Some of these monies were released to unrestricted funds during the year, as the trustees re-evaluated the requirement for this project. These projects have now been finalised, and any remaining fund balances have been transferred to unrestricted funds during the year ending 31 March 2021.

The Drama fund has been designated by the Trustees for the drama performances and shows put on by The Hive.

21 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Total
	2022	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:							
Property, plant and equipment	-	1,526,734	-	1,526,734	-	1,521,734	1,521,734
Current assets/(liabilities)	583,060	34,549	4,938	622,547	691,113	32,495	723,608
Long term liabilities	(31,668)	-	-	(31,668)	(41,667)	-	(41,667)
	<u>551,392</u>	<u>1,561,283</u>	<u>4,938</u>	<u>2,117,613</u>	<u>649,446</u>	<u>1,554,229</u>	<u>2,203,675</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

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

22 Financial commitments, guarantees and contingent liabilities

Should the property known as 'Greensleeves', Friday Street, be sold with planning permission for change of use prior to April 2043, 70% of the resultant applicable increase in value will be payable to Eastbourne Borough Council.

The Society sees its overall commitment in terms of providing a "Home for Life" for those with learning disabilities. Due to its long term and uncertain nature it is not possible to quantify this commitment.

23 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	12,108	14,074
Between two and five years	16,478	15,300
In over five years	5,639	-
	<u>34,225</u>	<u>29,374</u>

Total lease payments made during the year amounted to £14,074 and these are included within the appropriate category of expenditure in the Statement of Financial Activities.

EASTBOURNE & DISTRICT MENCAP LIMITED

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

24 Related party transactions

Transactions with related parties

During the year the total donations received by trustees amounted to £Nil (2020: £Nil).

Some trustees have close family members who are residents/users of the charity's services, and one of the residents has also been a trustee of the charity. The board have decided it is in the charity's best interest for a resident to be a part of the board so that they can adequately meet the needs and requirements of the residents. In these instances the standard rates are charged to these individuals.

25 Cash generated from operations	2022 £	2021 £
(Deficit)/surplus for the year	(86,062)	469,198
Adjustments for:		
Investment income recognised in statement of financial activities	(45)	(117)
Gain on disposal of property, plant and equipment	(5,079)	(293,033)
Depreciation and impairment of property, plant and equipment	33,914	89,628
Movements in working capital:		
Decrease/(increase) in trade and other receivables	640,719	(702,964)
(Decrease)/increase in trade and other payables	(72,271)	163,661
Cash generated from/(absorbed by) operations	511,176	(273,627)

26 Analysis of changes in net funds

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	280,817	469,054	749,871
Loans falling due within one year	(8,333)	(1,667)	(10,000)
Loans falling due after more than one year	(41,667)	9,999	(31,668)
	<u>230,817</u>	<u>477,386</u>	<u>708,203</u>

EASTBOURNE AND DISTRICT MENCAP LIMITED

England & Wales - Charity number 1125686

Accounts



Plummer Parsons
Chartered Accountants

Charity Registration No. 1125686

Company Registration No. 06182982 (England and Wales)

EASTBOURNE & DISTRICT MENCAP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Chartered Accountants
& Statutory Auditor

EASTBOURNE & DISTRICT MENCAP LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D J Long Mr C Mizen Mr S I Wibberley Mrs N E Trimmer Mr A M Norwood Mrs M J Thurstan Mrs M S Stubbs
Secretary	Mrs M J Thurstan
Charity number	1125686
Company number	06182982
Principal address	113 Pevensey Road Eastbourne East Sussex BN22 8AD
Registered office	113 Pevensey Road Eastbourne East Sussex BN22 8AD
Auditor	Plummer Parsons 18 Hyde Gardens Eastbourne East Sussex BN21 4PT
Solicitors	Gaby Hardwicke 33 The Avenue Eastbourne East Sussex BN21 3YD

EASTBOURNE & DISTRICT MENCAP LIMITED

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EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and accounts for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of the charity contained in the Company's memorandum of association are:

- the relief of people with a learning disability in particular by the provision of help and support for them and their families, dependents and carers;
- to prevent learning disabilities for the public benefit;
- to advance religion amongst persons with a learning disability; and
- to provide or assist in the provision of facilities for the recreation or other leisure time occupation for people who have need thereof by reason of learning disability with the object of improving their conditions of life.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we have achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focussed on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Board continue to review the relevance of the listed objectives and how we can influence certain things and will be seeking amendments to the prevention of Learning Disabilities and the advancing of religion. The Board does not believe it can prevent Disabilities. We are happy to support and encourage individuals with their own beliefs, but do not feel we can or should advance Religion. This has not changed over the last 12 months but it is something the Board are still keen to change.

Focus of our work

Our main objectives for the year continues to be to ensure that all people with a learning disability in the Eastbourne area are enabled to live as full and normal a life as their disability will allow. The strategies we used to meet these objectives included:

Our purpose is to support, empower and improve the quality of life of the people who use our services. Eastbourne and District Mencap strive to enable people to have greater independence and opportunities to meet their hopes, dreams and aspirations and to actively involve them as far as practically possible in making decisions over their day-to-day life and future.

Our ethos and values are the foundation of everything we do.

Our passionate, dedicated staff team provide a personalised service, focused on the individual's needs, continuously monitoring our approach to ensure that our progressive and personal development is striving for an excellent and outstanding service. We use award winning electronic technology to record everything in accordance with current CQC requirements.

- Providing a range of services which are reflective of the relevant quality standards and enable the learning disabled to live a fuller life.
- Training those involved in our activities to NVQ and other standards.
- Focussing on supporting the learning disabled, their carers' and relatives.
- Working in partnership with other agencies to secure that the widest range of services are available that best matches the needs of its client population.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

In order to assess the success of the charity's operation during the year, the Trustees monitor the following areas:

- The level of occupancy in the homes relative to the number of bedrooms;
- The number of people attending our daytime activities;
- The happiness of our beneficiaries whilst in our care;
- The expenditure relative to the approved budget.

How our Activities deliver public benefit

The Trustees have paid due regard to the Public Benefit guidance issued by the Charity Commission in deciding what activities the Charity should undertake. Our main activities and who we try to help are described below. All of our charitable activities focus on the care and support of those with a learning disability and are undertaken to further our charitable purposes.

Who used and benefited from our services?

Our objectives and funding limit the services we provide to those service users in Eastbourne and District. When a vacancy occurs any potential new service user is dependent on an assessment by the placing authority, who will be required to pay the fee, as well as an assessment by our Homes Manager to ensure his/her needs are met and also compatibility with the existing service users. The latter also forms part of the ongoing assessment of existing service users. We are still seeing a material increase in the complex needs of our service users both in our homes and those who access our day service. In the reported year (and since), we have seen a material increase in the complex care needs of our residents and how those needs affect the communities in which they reside. There is a direct knock-on effect of the cost to meet these needs which isn't easily recovered through central funding.

Equal access is important to us. We do not discriminate on access to our services by gender, sexual orientation or ethnicity. We only refuse access to those who cause serious disruption to other clients. We only refuse access to those service users whose needs we cannot meet and their lack of compatibility with others within the service.

Our residential services are restricted by the Care Quality Commission to adults over 18. Our daytime activities are generally attended by those of similar age. We find that we receive referrals when parents become less able to care for their dependents. We receive referrals from various avenues. These can be from local authorities, family members, colleges and schools. We can also be asked to take emergency referrals if we have a vacancy within our residential services. Further information on who benefits directly from our services is explained in the analysis of performance and achievements below.

Achievements and performance

Our core operational challenges in 2020-21 remain similar to those we faced in 2019-20 and this has been made increasingly more challenging due to Covid-19. Having made a deficit in 2019/2020, we are disappointed to report a further deficit this year, although we are encouraged by the reduction on the deficit and more so, with the direction of travel since the year-end.

There are a number of factors that have contributed to this position. Legacy operational challenges discovered in 2018 have continued to feature, taking a significant amount of resource to manage. In addition, the increasing care needs of our residents and the increasing regulatory environment in which we operate, set against a backdrop of continued local authority funding pressures, led to the deficit we see. We suffer from increased 'cost to serve' but lack the ability to simply put our prices up – the latter takes a significant negotiation with ESCC.

We still continue to negotiate with ESCC regarding our current bed fee and the changing needs of the service users within our residential services. Each service user is assessed individually and due to lack of ESCC staffing this is not carried out as frequently as it should be. The cost of running a service with the increase of utilities and the change in the national minimum living wage is not reflected in the care costs that we receive. We are trying to work with ESCC to address this.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Our overall staffing bill has remained stable but the agency bill this year has been £148k. We have reduced the use of agency staff by £92k, still an unsustainable level, but an improvement. This has shown a reliance on agency and the homes still rely on agency staff. The agency bill in 2017 (the last year we made a surplus) was £287k and this demonstrates a long-term reliance on agency staff to support the business during challenging periods. The measures taken in 2019/2020 to improve the position by a combination of measures including enhancing staffing benefits and hourly rates, expanding our Bank Staff numbers and utilising staff across all locations is beginning to have an impact but this is a slow burn. In addition, we have reduced the repairs and maintenance costs following a year of larger non-recurrent items.

We currently have two vacancies in our organisation, one in our residential service and the other in our supported living home. These have been difficult to fill due to Covid-19.

This year the day service has continued to thrive despite being closed for 13 months due to Covid-19. We have seen a slow return of service users and now we find ourselves nearly at full capacity on certain days of the week. We have managed to hold events that were postponed during the pandemic and these have been a great success in the community. This has helped us to raise our profile in Eastbourne. The art exhibition was opened by the Lord Lieutenant and the Mayor of Eastbourne.

We have had to deal with the additional pressure from the Covid-19 virus. None of our homes have had any cases of the virus and this has been down to the commitment and hard work of the management and staff teams.

We have managed the situation by ensuring that the safety of our service users and staff was always our main priority. The following actions have been put into place:

- Risk assessments for staff and service users. These were reviewed fortnightly.
- PPE equipment is worn at all times.
- The homes have been in lockdown. Only staff employed to work in the home are allowed to enter.
- Additional management meetings were held daily then reduced to weekly via Microsoft Teams so we could monitor and review the homes practices.
- The Day Centre and Head Office were closed due to the Government guidance regarding social distancing.
- Staff who showed signs of Covid-19 were told to self-isolate and when it was introduced, referred to the testing centres.
- Infection control measures have been introduced with additional hand sanitiser and handwashing facilities provided.
- Easy read guides have been given to service users to help them understand what is happening and additional service user meetings have been undertaken to alleviate any concerns they might have.
- Weekly letters, telephone calls and Skype meetings have taken place between service users and family members so they can remain in contact.
- Weekly newsletters have been sent to staff to ensure they are kept in touch with the changes that are happening.
- Action plans have been devised so that the homes have clear guidance to follow should the need arise.

We continue to follow the Covid-19 procedures we had in place to ensure that we remain Covid free. We have also started to relax the rules on visits to the residential homes and the service users accessing the community. This is so we can meet the needs of the service user's health and wellbeing.

We would like to express our thanks to those people and organisations who supported us financially during the year: -

F Higgins	£10,000
In memory of A Rees	£10,250
Sovereign Swimming Club	£5,989
R Dickie	£2,000
Anonymous	£1,000
Eastbourne Firefighters	£1,000

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

We continue to charge for the use of the organisations transport. We have taken 1 vehicle off the road due to it being unsuitable and beyond repair.

Personalisation

We are committed to delivering support that is tailored to individual needs, personalising our services as far as this is possible. Our key workers work closely with our service users and day service users in promoting choice for the activities they wish to participate in. We have purchased new software that enables the homes to offer supportive text for the service users to be able to have a clear understanding of what is going on around them and offering them information in a format that they can understand. This enables us to offer personalised plans and timetables to meet the service users individualised needs.

We purchased "Nourish" a digital care management system that is tailored to the individual needs of the service users and the care service. This enables us to deliver flexible, adaptable care to the highest quality. We are finding that this is a great investment as it enables staff to record and monitor the support that is delivered to individual service users. The system also enables us to communicate more effectively with the staff team which therefore makes us more responsive to individual's needs.

The homes have devised pictorial support plans and daily timetables to make sure that each service user has a personalised plan to ensure that the support they are given is delivered in a way that has been agreed with the service user. These are updated when a change in need arrives and revisited regularly during keyworker meetings and staff meetings. We have seen this have a positive effect on service user's behaviour and engagement.

Support

Residential care homes

The charity runs residential care homes in Eastbourne. Sedgemoor & Framley has now formally been separated and the remaining service (Framley) is now known as 4 Mill Road. We also have Greensleeves and 27 Arundel Road. During the year, we have seen a reduction in the numbers of service users we can accommodate due to the changes made to 4 Mill Road. We are now registered for a total of 29 adults with learning disabilities who are helped to live as independently as their disability allows, but within a safe and friendly environment.

When a service user moves into one of our homes, they are assured that they can stay for as long as they wish, our policy being that it is "a home for life". However, they are free to move elsewhere at any time if they so wish and, if their needs change so that we become unable to care for them, a move to a nursing or other specialist home may be necessary. We take this issue very seriously and if the need for a move is deemed necessary, we work very closely with all parties, to ensure a suitable place is found. If we are unable to meet the service users' individuals needs then notice will be given to the placing authority. The notice period given is 28 days.

We continue to work with ESCC for local referrals, but ESCC favours the Supported Living model – especially for low and medium levels of care. We have met with ESCC who have told us that there will always be a need for residential services in Eastbourne. We are also receiving referrals for placements from out of area and we are currently working with Walthamstow and Croydon.

Whilst our priority and preference is to focus our activity locally, if we have vacancies that cannot be filled from our local catchment, we must cast our nets wider. The Board feel attracting service users from further afield is more favourable than allowing long-term vacancies – the financial cost of which is detrimental to all users.

Sedgemoor and Framley

During the year we completed the refurbishment of Framley and also changed the name to 4 Mill Road. We provide accommodation for more independent service users with learning and physical disabilities in 10 en-suite bedrooms in single occupancy. We continue to receive referrals for people who need higher levels of support and also have a higher degree of mental health challenges. The service users took an active role in choosing things for the home and making choices over the colour schemes for communal areas and their own bedrooms. The refurbishment has seen a rise in service users independence as they take pride in their home. We have created a homely engaging environment which we are very proud of.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

The service has been donated a portacabin, which we have turned into an activities room and sensory room enabling service users to use this space to carry out additional workshops.

We have a new manager in post and she is supporting the service users to take an active role within the home. She is also working with the staff team to deliver outstanding person-centred care, whilst maintaining the service users' skills and interests. The service users are accessing greater volunteer employment opportunities and getting involved in more community-based activities and groups.

Greensleeves

This home has 9 single bedrooms with en-suite facilities. We have made some improvements this year and replaced the kitchen. We currently have 1 vacancy.

We have seen a decline in the needs of service users here due to older age and additional health needs. This has seen an increase in staffing levels and more time spent supporting individuals, we have also had to renegotiate their care packages with ESCC.

During the Covid pandemic we have built an arts and crafts room in the garden to enable us to provide another space where service users could go during the day. We have also built raised beds around the garden so they can grow their own fruit and vegetables.

27 Arundel Road

We have 9 service users at this property and currently no vacancies.

We have redesigned the rooms in this service to provide better communal areas for the service users. We have also been able to make space and change a second lounge into an activities room.

The service users in this home no longer attend any external day services. The manager made this decision as he wanted to provide more meaningful activities in-house and within the community. All of the service users in this service have a severe learning disability with additional complex needs. The home wants to provide a service that is outcome based and enhances the quality of life of those service users who reside here. This has had a positive impact on the service users and we are seeing them overcome challenges that some have had for a number of years, whilst developing new forms of communication to enable their needs to be met. The feedback we have had from family members and other professionals has been very complementary and encouraging.

Supported living

The charity provides supported accommodation for two adults with a learning disability in a bungalow called Holmworth. The accommodation is used under a tenancy agreement with the funding for this provided by housing benefit. The additional support hours are provided by us and the funding is received by ESCC. Each tenant has an individual contract which will allow them to decide how they receive their support.

The Trustees believe there will always be a demand for residential care for people with a learning disability, particularly those who are older and those who require high levels of support. We will continue to consider supported living provision in the future.

We have a vacancy here at the moment.

Day Services

The Hive of Activity

This provides varied meaningful workshops for learning disability users which in turn provides respite for their carers in the community for 5 days a week. The various activities are chosen by those who attend and are very varied. Funding for this is partly provided by East Sussex County Council where we have contracts to provide the service for some of those who attend; a charge is made to those for whom we do not have a contract.

The Hive also has a café where service users and visitors can purchase drinks and light lunches. The service users work alongside staff in the café.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Workshops

These are held 5 days a week for 6 Periods in blocks of 6-week sessions a year. They continue to prove successful with between 20 to 35 attending daily, and enjoying a choice of 25 activities. The activities, which take place in small groups, are selected by the service users. The workshops are designed so that everyone attending will achieve an end goal. All workshops have a step-by-step detailed plan which is discussed with the service users at the beginning of every session. The workshops are tailored to the individuals needs so that everyone attending is engaged and able to contribute.

ASDAN accredited workshops have been introduced. ASDAN programmes and qualifications are widely recognised by educators for providing an engaging curriculum that empowers service users through personalised learning and choice. The courses motivate and enhance service users' confidence, self-esteem and resilience.

Personalisation means that certain workshops involve going out into the wider community. A workshop pack is produced before each term inviting applications for each workshop. Some users are funded by contracts with East Sussex County Council and other are privately funded.

Networking

We continue to attend meetings of various groups throughout the year, including East Sussex County Council Support, Liaison meetings and also provider forums, meetings with the voluntary sector, and local network meetings with others. We are currently networking with local organisations within Eastbourne. These are the Job Centre, Hospice, Chamber of Commerce, Leaf Hall and Disability Confident.

Of critical importance is maintaining a close relationship with our key stakeholders – namely ESCC and the CQC. Our CEO is in close contact with both to ensure we remain aligned.

Headquarters and Activity Centre

These continue to be used for our own activities.

The first-floor office accommodation is used for administration purposes and the meeting room is in constant use for staff meetings and training as well as trustee and sub-committee meetings.

Website, Social Media and branding

This year we have been working on developing our website so we can engage more with the community. Since we have redesigned the layout, we have seen an increase in numbers who are visiting the site. We are now using the website to advertise for jobs and events that we are holding.

We are now increasing our use of social media to highlight our success stories, share information and raise awareness of what we do. There is much to do in the space and we are continually reviewing our offering – however we have had to focus on the operational provision of care.

This year we have been looking at our affiliation to Royal Mencap as they have expressed a desire for us to cease using the name. It is also generally felt throughout the organisation, that reference to Mencap restricts our fund-raising potential (as people feel we are funded centrally by Mencap). The rebranding did not go ahead as planned in 2019 as we could not reach consensus amongst the membership for a new name and it was felt the whole membership were not given sufficient involvement with the exercise. This was discussed again at the AGM and consensus was reached on the concept of changing, but due to the Covid-19 virus, we have not been able to make any progress.

Training

The charity continues to offer mandatory training to meet the CQC regulations. Government quotas for the percentage of the workforce who need to be trained at Diploma level change frequently, but from the start the charity has always exceeded any of the requirements.

We have developed a yearly training programme with the support from On Target Training. This will ensure that all of the staff have the opportunity to attend the required training. New staff that join the organisation will also have regular training provided throughout the year due to the way the programme has been devised.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

We are also using the ESCC training portal to access additional training for staff. Due to Covid-19 we have enlisted an online training company to provide our staff with the relevant training whilst face to face training cannot be provided.

Personalisation is built into our training which we recognise is essential to enable all our beneficiaries to lead the lives they choose. Training and personal development needs are discussed in supervisions and yearly appraisals. We encourage our staff to attend additional training if they have an interest or it is deemed to be of benefit to the service users within the service.

This year we have a strong management team who all have a specific area of expertise and interest. We are encouraging the managers to be responsible in taking the lead in delivering and developing specific training areas. We offer bespoke training to our staff that has been identified as a need to enable them to provide specific care needs to the service users who reside in the homes.

We are actively encouraging the staff to undertake NVQ's in adult social care. We have devised a criteria that staff need to meet to enable them to enrol on the course. Due to the financial implications of this we will have to limit the numbers each year.

We are not immune to the industry pressures surrounding recruitment and retention of staff. We have taken steps to improve our terms of employment which has had a positive impact but we still have vacancies to fill.

Financial review

Donations and legacies amounted to £30k in the year – a slight increase on the previous year

Our total income for the year was £2,342k up £377k over the previous year 2019/20 however this includes the non-recurrent gain on the sale of No2 Mill Road and some COVID grant funding. Our underlying income excluding these one-off elements was £1,952k down very slightly from the prior year. Our core expenditure was £1,8173k down by £161k on the prior year.

Our main areas of expense continue to be agency fees and staffing costs.

The operational challenges presented by several management changes has led to increased costs which have now been reversed with a range of measures. The Board is working closely with the senior management and our accountants to ensure a sustainable operational is maintained. I am pleased to report that within the current financial year, we are forecasting a small surplus.

Reserves policy

The purpose of the reserves is to secure the future of our services, to fund any projects and to fund future building needs.

The Trustees have reviewed the charity's requirements for reserves in the light of the main risks to our operations.

Reserves are required:

- (a) to provide funds which can be designated for specific projects to enable these projects to be undertaken at short notice; and
- (b) to cover administration, fundraising and support costs without which the charity could not function; and
- (c) to cover the funds held as functional fixed assets without which the charity could not deliver adequate care to its residents and to avoid the necessity of realising fixed assets held for the charity's use.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Funds held as functional fixed assets are designated and excluded from the calculation of reserves. This recognises that these assets are used operationally and their disposal would adversely impact on our ability to deliver care to our beneficiaries. The level of reserves is monitored and reviewed by the Trustees on an ongoing basis.

The level of free reserves required to achieve this amount had been approved by the Trustees at £150k, which is the sum the Trustees consider necessary to cover ongoing costs if there is a delay in receiving funding from East Sussex County Council. As at the year end, free reserves, which had not been designated for a specific use, stood at £649,446.

The Board acknowledge that reserves need to be bolstered and this will happen with the sale of Sedgemoor and the retention of capital after the refurbishment of Framley has been completed. This will take our reserves comfortably back above £300k. In the interim, and based on a strict and stable cash-flow with a projected surplus month on month, the Board have agreed to allow reserves to drop below the £300k to part fund the refurbishment of Framley which is needed to progress the completed sale of Sedgemoor. Operationally, we can no longer defer the refurbishment and have little choice but to invest liquid reserves in this way.

Total funds at the end of the year amounted to £2,203,675 of which £1,554,229 was designated. Of these designated funds £1,521,734 relate to fixed assets which are required for the charity to carry out its operations and hence, are not available for distribution. The designated funds were established by the charity to designate funds for ongoing activities in these areas.

There were no restricted funds at the end of the year. Cash and Cash Equivalents have reduced to £280,817 from £311,325. Over the years, building maintenance has not sufficiently been carried out and therefore the Board have decided to look at using free reserves and/or borrowing, to improve the condition of our buildings.

The principal funding source

Apart from legacies and fundraising the principal funding sources for the charity are currently by way of grants and contract income from East Sussex County Council and other placing authorities. The level of much of this funding is fixed according to the level of support required for each resident and this allows us to provide appropriate housing/support/care for their particular basic needs. Whilst ESCC endeavour to review the Care Funding Calculation for each user, every 12 months, this isn't always achieved due to competing priorities. We are still pushing hard for out-of-date reviews to be concluded as a matter of urgency so we have up to date CFCs in place. The minimum/living wage legislation is expected to continue to place pressure on our operating costs as increases are anticipated in the coming years. We continue to work closely with ESCC to ensure the support package we receive is in line with what is needed.

Investment policy

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are held in short term fixed deposits.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The process of identifying, evaluating and managing the major risks to which the charity is exposed has continued throughout the year. Where any such weaknesses have been identified, appropriate systems or procedures have been established to mitigate risks the charity faces.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with all relevant legislation including health and safety, equal opportunities, service users' welfare, moving and handling, fire awareness, medication, food hygiene and others. An internal Audit system is in place whereby the Chief Operating Officer and the homes managers carry out monthly checks to ensure policies, procedures and safeguarding issues are being correctly carried out and recorded.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

Our current focus

- Recruiting and maintain good quality staff to reduce the impact of agency costs. This has been increasingly difficult due to Covid-19.
- Negotiations continue regarding the leasehold at 27 Arundel Road. The charity will continue to carry out improvements to the homes where possible, particularly where this will result in an increase in income. The assignment of the lease with Southdown Housing is still under negotiation with Eastbourne Borough Council.
- We need to expand the depth, experience and number of Trustees – the Board is actively seeking new people to join the Board. There have been a number of changes at Board level during and after the year-end and this remains a key priority – but difficult to proactively manage.
- A further primary focus is investing in our fixed assets. We have drawn up detailed list of refurbishments for all properties so investment can be made on a targeted, but prioritised basis. Critical to this is investing in services that deliver what is needed primarily for our Service Users in line with Social Services stated requirements.
- We continue to review our main charitable objectives so they remain relevant and in tune with the founding principles, but we also must ensure they are achievable.
- To look at new income streams for the organisation.
- To increase our fees in consultation with ESCC.

Structure, governance and management

The Charity is a charitable company limited by guarantee incorporated on 26 March 2007 and registered as a charity on 2 September 2008. The Company was established under a Memorandum of Association which established the powers of the Charitable Company and is covered by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1. The company took over the assets and liabilities of the unincorporated charity, Eastbourne & District Mencap, which was formed in 1949.

Full legal and administrative information is displayed on the flysheet to the accounts prior to the contents page.

Mr D J Long

Mr C Mizen

Mr S I Wibberley

Mr P Lott

(Resigned 22 June 2021)

Mrs N E Trimmer

Mr A M Norwood

Mrs M J Thurstan

Mrs M S Stubbs

The directors of the company are also Charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the Memorandum and Articles of Association all the Officers and four members are appointed each year at the AGM or an EGM in accordance with the Articles to hold office until the end of the next AGM. The whole membership is invited to nominate members for election. The Board may co-opt up to four additional people (who may, but do not need to be members of the Society) being persons having a special interest in and qualifications for furthering the work of the charity.

All Trustees are already familiar with the practical work of the charity, and after appointment they are required to visit the homes and day services on a regular basis and report back to the next meeting and encouraged to participate in the various sub-committees.

All members of the Management Committee give their time voluntarily and receive no benefits from the charity except the learning-disabled representative. Any expenses reclaimed from the charity are set out in the notes to the accounts. All directors who have claimed expenses have donated at least equivalent to the expenses claimed.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2021**

The Management Committee seeks to ensure that the needs of the learning disabled are reflected through diversity on the Trustees body. This has required one Trustee with a learning disability receiving support prior to meetings. Our current representative has resigned so we are currently looking for a replacement.

The more traditional business and care skills are well represented on the Management Committee.

When seminars are arranged locally Trustees are invited to attend. New trustees are provided with information outlining their responsibilities as Trustees and Directors. This includes extracts from the Companies House website as well as the guidance from the Charity Commission - "The Essential Trustee".

A Management Committee of up to twelve meets monthly and administers the charity, covering policy, membership and finance. At present the Committee has eight members from a variety of professional and caring backgrounds relevant to the work of the charity.

A scheme of delegation is in place and day to day responsibility for the provision of services rests with the CEO and the Service Managers. The CEO is responsible for ensuring that the charity delivers the services specified and that performance indicators are met. The Service Managers are responsible for the day to day running of their particular service under the overall supervision of the CEO.

Major decisions on future policies are taken to a general meeting for the approval of members.

In so far as it is complementary to the charity's objects, the charity is guided by both local and national policy. We continue to work with others to achieve the goals of "Personalisation - Personal Choice", "Valuing People Now" and "Getting it Right" campaigns. We have kept abreast of and complied with the new requirements of the Government, Social Services, Care Quality Commission, Health and Safety and others.

People

The Trustees would like to put on record their gratitude for the loyal and dedicated support from all staff throughout the year. The Trustees would also like to thank the retired Trustees for their hard work in the past.

The Trustees appreciate the time spent by volunteers, and employees working as volunteers outside their working hours, helping with the work of the charity, and recognise the risk of costs increasing if this had to be done by paid staff.

The Trustees appreciate the support the charity receives from the public both individuals and local organisations particularly those who have given donations and legacies without which the charity's work would have to be curtailed.

Asset cover for funds

Note 18 sets out an analysis of the assets attributable to the various funds and a description of the trusts.

These assets are sufficient to meet the charity's obligations on a fund-by-fund basis.

We predict that financial pressures will continue during the coming year as the charity continues to have to employ staff to meet the increasing number of regulations and volume of paperwork relating to the work carried out by the charity.

Funds held as custodian trustee

The charity holds some monies on behalf of residents as custodian trustees. This is a temporary arrangement until the local authority can formally take over this responsibility. These monies are not assets of the charity and therefore the bank balances and corresponding creditors have been eliminated from the accounts.

EASTBOURNE & DISTRICT MENCAP LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2021***

Auditor

In accordance with the company's articles, a resolution proposing that Plummer Parsons be reappointed as auditor of the company will be put at a General Meeting.

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 is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the small company regime as outlined in Section 419(2) of the Companies Act 2006.

On behalf of the board of Trustees

Mr C Mizen

Trustee

Dated: 26 January 2022

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also the directors of Eastbourne & District Mencap Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Opinion

We have audited the financial statements of Eastbourne & District Mencap Limited (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the statement of financial position, 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, 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

In forming our opinion on the accounts, which is not modified, we have considered the adequacy of the disclosure made in note 20 regarding long term commitments. This note states that it is not possible to quantify the commitment in respect of the provision of a 'Home for Life' for those with learning disabilities. The Statement of Recommended Practice for charities requires financial quantification of such commitments and therefore in this respect the disclosure is restricted.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Based on our understanding of the charity and its activities, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, Charities Act 2011, Data Protection Act, GDPR, and other relevant legislation.

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, being FRS 102 and Charities SORP (FRS 102) (effective January 2019). We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase income or reduce expenditure, related party transactions, management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- A review of relevant correspondence, including correspondence with HM Revenue & Customs, for signs of potential non-compliance with laws and regulations; and
- A review of specific nominal codes within the accounting records that would highlight costs associated with non-compliance of relevant laws and regulations; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation, as well as throughout the year.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

EASTBOURNE & DISTRICT MENCAP LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EASTBOURNE & DISTRICT MENCAP LIMITED

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Plummer Parsons

.....

**Chartered Accountants
Statutory Auditor**

18 Hyde Gardens
Eastbourne
East Sussex
BN21 4PT

Plummer Parsons is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	103	30,032	30,135	19,036	8,388	27,424
Charitable activities	4	1,828,426	165,740	1,994,166	1,698,466	236,655	1,935,121
Other trading activities	5	-	-	-	-	1,396	1,396
Investments	6	117	-	117	651	-	651
Other income	7	25,151	293,033	318,184	700	-	700
Total income		1,853,797	488,805	2,342,602	1,718,853	246,439	1,965,292
<u>Expenditure on:</u>							
Charitable activities	8	1,619,960	253,444	1,873,404	1,792,276	242,070	2,034,346
Net incoming/(outgoing) resources before transfers		233,837	235,361	469,198	(73,423)	4,369	(69,054)
Gross transfers between funds		285,126	(285,126)	-	(58,849)	58,849	-
Net income/(expenditure) for the year/ Net movement in funds		518,963	(49,765)	469,198	(132,272)	63,218	(69,054)
Fund balances at 1 April 2020		130,483	1,603,994	1,734,477	262,755	1,540,776	1,803,531
Fund balances at 31 March 2021		649,446	1,554,229	2,203,675	130,483	1,603,994	1,734,477

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Property, plant and equipment	13		1,521,734		1,511,331
Current assets					
Trade and other receivables	14	722,367		19,403	
Cash at bank and in hand		280,817		311,325	
		1,003,184		330,728	
Current liabilities	16	(279,576)		(107,582)	
Net current assets			723,608		223,146
Total assets less current liabilities			2,245,342		1,734,477
Non-current liabilities	17		(41,667)		-
Net assets			2,203,675		1,734,477
Income funds					
<u>Unrestricted funds</u>					
Designated funds	18	1,554,229		1,603,994	
General unrestricted funds		649,446		130,483	
			2,203,675		1,734,477
			2,203,675		1,734,477

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 January 2022

Mr C Mizen
Trustee

Mr A M Norwood
Trustee

Company Registration No. 06182982

EASTBOURNE & DISTRICT MENCAP LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(273,627)		(10,000)
Investing activities					
Purchase of property, plant and equipment		(488,068)		(58,849)	
Proceeds on disposal of property, plant and equipment		681,070		700	
Investment income received		117		651	
Net cash generated from/(used in) investing activities			193,119		(57,498)
Financing activities					
Receipt of bank loans		50,000		-	
Net cash generated from/(used in) financing activities			50,000		-
Net decrease in cash and cash equivalents			(30,508)		(67,498)
Cash and cash equivalents at beginning of year			311,325		378,823
Cash and cash equivalents at end of year			280,817		311,325

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Eastbourne & District Mencap Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 113 Pevensey Road, Eastbourne, East Sussex, BN22 8AD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the date of this report, there exists considerable uncertainty regarding the potential impact of the Coronavirus and the economic consequences, both within the U.K. and overseas, which may result from government policies to contain the spread. The duration and geographical extent of any possible lockdown or future government policies are unknown. Whilst we are unable to predict what the economic consequences may be and the impact on the charity's future ability to continue trading, we have continued to use the going concern basis as appropriate in the preparation of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. Further details of these funds can be found in note 18 to the accounts.

1.4 Income

All incoming resources are recognised in the Statement of Financial Activities once the charity has gained entitlement to them and the amounts can be quantified with sufficient reliability. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of legacies, donations and gifts and other voluntary income is included in full in the Statement of Financial Activities when receivable. Legacies are recognised in the accounts once there is sufficient evidence that the charity is entitled to such income, provided that the amount receivable can be quantified with relative accuracy.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Provision of services - income for the provision of residential and day care services is recognised for the period covered by the service.
- Investment income is recognised in the financial statements when receivable.

The charity is not registered for VAT. All income is net of trade discounts.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accruals basis when a liability is incurred.

Charitable expenditure comprises those costs incurred by the charity in pursuit of its charitable objectives. It includes both direct costs and support costs relating to such activities

Governance costs are shown in the notes to these accounts and include those costs associated with meeting the statutory requirements of the charity and includes its audit fees and costs linked to the strategic management of the charity.

Costs are recharged to individual activities in proportions agreed by the trustees to reflect the respective absorption by each sector of activities.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Buildings	50 years straight line
Fixtures, fittings & equipment	4 years straight line
Motor vehicles	4 years straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Only vehicles and new items of an individual value in excess of £2,500, where the estimated useful economic life exceeds 4 years, are capitalised by the charity.

1.7 Impairment of non-current assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables 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 trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

If material, 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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Pension contributions made into a Defined Contribution pension scheme are recognised when made.

1.12 Funds held as custodian trustee

The charity currently holds monies of behalf of some residents as custodian trustees. This is a temporary arrangement until the local authority can formally take over this responsibility. In the meantime, these amounts are separately identified in the charity's accounting records. These monies are not assets of the charity and therefore the relevant bank balance and corresponding creditors have been eliminated from the accounts.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Total 2020 £
Donations and gifts	103	20,032	20,135	19,036	8,388	27,424
Legacies receivable	-	10,000	10,000	-	-	-
	<u>103</u>	<u>30,032</u>	<u>30,135</u>	<u>19,036</u>	<u>8,388</u>	<u>27,424</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Homes	Day services	Total 2021	Total 2020
	2021	2021		
	£	£	£	£
Services provided under contract	1,761,893	160,690	1,922,583	1,935,061
Grants	66,583	5,000	71,583	-
Charitable rental income	-	-	-	60
	<u>1,828,476</u>	<u>165,690</u>	<u>1,994,166</u>	<u>1,935,121</u>
Analysis by fund				
Unrestricted funds - general	1,828,426	-	1,828,426	1,698,466
Unrestricted funds - designated	50	165,690	165,740	236,655
	<u>1,828,476</u>	<u>165,690</u>	<u>1,994,166</u>	<u>1,935,121</u>
For the year ended 31 March 2020				
Unrestricted funds - general	1,698,406	60		1,698,466
Unrestricted funds - designated	15,401	221,254		236,655
	<u>1,713,807</u>	<u>221,314</u>		<u>1,935,121</u>

5 Other trading activities

	Total 2021 £	Unrestricted funds designated 2020 £
Fundraising events	-	1,396
	<u>-</u>	<u>1,396</u>

6 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	117	651
	<u>117</u>	<u>651</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Other income

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Net gain on disposal of tangible fixed assets	-	293,033	293,033	700
Other income	8	-	8	-
Government grants	25,143	-	25,143	-
	<u>25,151</u>	<u>293,033</u>	<u>318,184</u>	<u>700</u>

Government grants received during the year consisted of:

Business Support grant	£10,000
Coronavirus Job Retention Scheme grants	£15,143

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	Homes 2021 £	Day services 2021 £	Total 2021 £	Homes 2020 £	Day services 2020 £	Total 2020 £
Staff costs	1,246,449	97,477	1,343,926	1,390,370	135,532	1,525,902
Depreciation and impairment (See note 12)	86,742	600	87,342	36,418	600	37,018
Direct costs	55,648	7,720	63,368	65,005	26,174	91,179
Rent and rates	16,833	2,645	19,478	9,913	243	10,156
Insurance costs	11,022	1,945	12,967	9,958	1,225	11,183
Light and heat	25,400	2,416	27,816	31,161	-	31,161
Repairs and renewals	36,158	24,763	60,921	41,507	6,991	48,498
Telephone costs	9,785	1,074	10,859	8,482	-	8,482
Printing, postage, stationery and computer costs	21,285	1,828	23,113	13,160	93	13,253
Motor expenses	22,200	-	22,200	31,154	-	31,154
Travel costs	179	-	179	318	8	326
Sundry and other expenditure	18,358	1,824	20,182	16,384	1,347	17,731
	<u>1,550,059</u>	<u>142,292</u>	<u>1,692,351</u>	<u>1,653,830</u>	<u>172,213</u>	<u>1,826,043</u>
Share of support costs (see note 9)	147,038	25,948	172,986	166,556	29,393	195,949
Share of governance costs (see note 9)	6,857	1,210	8,067	10,501	1,853	12,354
	<u>1,703,954</u>	<u>169,450</u>	<u>1,873,404</u>	<u>1,830,887</u>	<u>203,459</u>	<u>2,034,346</u>
Analysis by fund						
Unrestricted funds - general	1,593,070	26,890	1,619,960	1,761,373	30,903	1,792,276
Unrestricted funds - designated	110,884	142,560	253,444	69,514	172,556	242,070
	<u>1,703,954</u>	<u>169,450</u>	<u>1,873,404</u>	<u>1,830,887</u>	<u>203,459</u>	<u>2,034,346</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Staff costs	141,680	-	141,680	147,537	-	147,537
Depreciation	2,285	-	2,285	2,285	-	2,285
Direct costs	2,915	-	2,915	5,014	-	5,014
Insurance	-	-	-	1,225	-	1,225
Light and heat	981	-	981	4,303	-	4,303
Repairs and renewals	121	-	121	1,148	-	1,148
Telephone	3,730	-	3,730	4,886	-	4,886
PPS and computer costs	17,735	-	17,735	19,698	-	19,698
Sundry costs	3,539	-	3,539	9,853	-	9,853
Audit fees	-	5,052	5,052	-	6,583	6,583
Accountancy	-	1,068	1,068	-	3,968	3,968
Legal and professional	-	1,947	1,947	-	1,803	1,803
	<u>172,986</u>	<u>8,067</u>	<u>181,053</u>	<u>195,949</u>	<u>12,354</u>	<u>208,303</u>
Analysed between						
Charitable activities	<u>172,986</u>	<u>8,067</u>	<u>181,053</u>	<u>195,949</u>	<u>12,354</u>	<u>208,303</u>

Governance costs includes payments to the auditors of £5,052 (2020- £6,583) for audit fees and £1,068 for accountancy fees and other services (2020- £3,968).

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

During the year, no Trustees were reimbursed for any expenses (2020- no Trustees were reimbursed for any expenses).

The charity was under the control of the directors throughout the year.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration staff	5	5
Direct and support staff	74	67
	<u>79</u>	<u>72</u>

Employment costs

	2021 £	2020 £
Wages and salaries	1,234,172	1,228,784
Social security costs	82,541	83,049
Other pension costs	20,753	20,753
	<u>1,337,466</u>	<u>1,332,586</u>

The remuneration paid to Key Management Personnel amounted to £57,963 (2020: £58,237) during the year.

Due to the nature of the charity's operations, it is often necessary for agency staff to be engaged to cover staff shortages. The charity engages agency staff via reputable agencies. The agency staff used have the relevant skills and abilities required so as to maintain the charity's high standards. These individuals are employed by the agencies, who retain all responsibilities and requirements associated with employment. These include, but are not limited to, remuneration packages, disciplinary procedures, holiday entitlements and employment law considerations. The total costs for agency staff during the year was £148,140 (2020: £340,853).

The charity operates a Defined Contribution pension scheme. During the year, employer contributions into the scheme amount to £20,753 (2020: £20,753).

During the year total redundancy payments of £2,500 (2020: £9,050) was paid to former employees.

There were no employees whose annual remuneration was £60,000 or more.

12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2021 £	2020 £
In respect of:		
Property, plant and equipment	<u>58,370</u>	<u>-</u>

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Impairments

(Continued)

The charity has spent a total of £525,622 renovating one of its properties, 4 Mill Road. The costs related to this renovation have been capitalised and included as Assets under Construction. At the end of the year, Assets under Construction were transferred to freehold property and the trustees undertook an impairment review of the renovated property. As a result of this review, the trustees consider that the original cost of the property plus the renovations costs exceed the property's present market value by £58,370. This amount has been charged to the Statement of Financial Activities under Charitable Activities.

13 Property, plant and equipment

	Buildings	Assets under construction	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2020	1,723,049	37,554	83,779	43,471	1,887,853
Additions	525,622	488,068	-	-	1,013,690
Disposals	(462,500)	-	-	-	(462,500)
Other changes	-	(525,622)	-	-	(525,622)
At 31 March 2021	1,786,171	-	83,779	43,471	1,913,421
Depreciation and impairment					
At 1 April 2020	275,186	-	62,299	39,037	376,522
Depreciation charged in the year	18,482	-	8,342	4,434	31,258
Impairment losses	58,370	-	-	-	58,370
Eliminated in respect of disposals	(74,463)	-	-	-	(74,463)
At 31 March 2021	277,575	-	70,641	43,471	391,687
Carrying amount					
At 31 March 2021	1,508,596	-	13,138	-	1,521,734
At 31 March 2020	1,447,863	37,554	21,480	4,434	1,511,331

More information on the impairment arising in the year is given in note 12.

All of the above assets are held for the charity's own use on direct charitable activities.

The charity owns the reversionary rights to the property known as Arundel Road.

The assets under construction relate to the redevelopment works at Sedgemoor.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	35,269	13,827
Other receivables	576,702	3,314
Prepayments and accrued income	110,396	2,262
	<u>722,367</u>	<u>19,403</u>

15 Borrowings

	2021 £	2020 £
Bank loans	50,000	-
Payable within one year	8,333	-
Payable after one year	41,667	-

16 Current liabilities

	Notes	2021 £	2020 £
Bank loans	15	8,333	-
Other taxation and social security		26,523	23,504
Trade payables		158,555	63,084
Other payables		3,945	5,994
Accruals and deferred income		82,220	15,000
		<u>279,576</u>	<u>107,582</u>

The charity currently holds monies of behalf of some residents as custodian trustees. This is a temporary arrangement until the local authority can formally take over this responsibility. In the meantime, these amounts are separately identified in the charity's accounting records. These monies are not assets of the charity and therefore the relevant bank balance and corresponding creditors totaling £21,592 (2020: £29,735) have been eliminated from the accounts.

17 Non-current liabilities

	Notes	2021 £	2020 £
Bank loans	15	41,667	-

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019 £	Movement in funds			Balance at 1 April 2020 £	Movement in funds			Transfers £	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Sedgemoor and Framley residents	5,559	1,788	(1,693)	-	5,654	16,089	(7,071)	-	-	14,672
Hive of Activity	4,183	222,650	(166,118)	-	60,715	165,743	(118,855)	(95,603)	(95,603)	12,000
Minibus fund	36,891	15,401	(31,154)	-	21,137	49	(22,200)	1,014	1,014	-
Functional fixed asset fund	1,491,786	-	(39,304)	58,849	1,511,331	293,033	(89,628)	(193,002)	(193,002)	1,521,734
Meeting and sensory room	(136)	-	-	-	(136)	-	-	136	-	-
Sedgemoor and Framley lift	1,494	-	-	-	1,494	-	-	(1,494)	-	-
Drama	1,000	6,600	(3,802)	-	3,799	227	(300)	-	-	3,726
Sedgemoor and Framley redevelopment	-	-	-	-	-	-	(3,823)	3,823	-	-
Greensleeves residents	-	-	-	-	-	11,635	(11,214)	-	-	421
Arundel Road residents	-	-	-	-	-	2,029	(353)	-	-	1,676
	1,540,777	246,439	(242,071)	58,849	1,603,994	488,805	(253,444)	(285,126)	(285,126)	1,554,229

Sedgemoor and Framley, Greensleeves and Arundel Road Residents Funds were established to hold funds to be used for residents' welfare. These funds were initially set up when money started being donated to the Home rather than the Society. This has always been considered a designated fund rather than a restricted one as a resident may move on after a donation is received and before it is spent.

The Hive of Activity Fund was established to hold donations, gifts and funds received towards the costs of the day service. This fund was initially set up when the Society received a grant from the National Lottery towards the running costs of the day service for the first three years after it was set up.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Designated funds

(Continued)

The Minibus Fund was established to hold donations, gifts and funds to pay for the transport, including replacement of the vehicles, used by the residents in the charity's homes. Due to the source of these donations this fund does not pay for the transport or replacement of vehicles used for the day services. Now that this fund has been fully utilised, a final fund transfer has been done to cover any excess expenditure from unrestricted funds.

The Functional fixed asset fund was established to exclude funds held as functional fixed assets from general reserves. This is to recognise that these assets are used operationally and their disposal would adversely impact on the charity's ability to deliver its aims. The expense from this fund represents the depreciation charged during the year. The transfer to this fund represents fixed assets purchased/sold during the year.

The Meeting & Sensory room fund relates to monies donated and subsequently spent to launch and run the Meeting & Sensory room. Now that this project has been finalised, the overdrawn balance has been cleared by a transfer between funds at the end of the year.

The Sedgemoor and Framley redevelopment and lift funds represents monies raised towards the substantial work required at Sedgemoor & Framley. Some of these monies were released to unrestricted funds during the year, as the trustees re-evaluated the requirement for this project. These projects have now been finalised, and any remaining fund balances have been transferred to unrestricted funds.

The Drama fund has been designated by the Trustees for the drama performances and shows put on by The Hive.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Total	Unrestricted funds	Designated funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Property, plant and equipment	-	1,521,734	1,521,734	-	1,511,331	1,511,331
Current assets/ (liabilities)	691,113	32,495	723,608	130,483	92,663	223,146
Long term liabilities	(41,667)	-	(41,667)	-	-	-
	<u>649,446</u>	<u>1,554,229</u>	<u>2,203,675</u>	<u>130,483</u>	<u>1,603,994</u>	<u>1,734,477</u>

20 Financial commitments, guarantees and contingent liabilities

Should the property known as 'Greensleeves', Friday Street, be sold with planning permission for change of use prior to April 2043, 70% of the resultant applicable increase in value will be payable to Eastbourne Borough Council.

The Society sees its overall commitment in terms of providing a "Home for Life" for those with learning disabilities. Due to its long term and uncertain nature it is not possible to quantify this commitment.

The charity is currently in negotiations with Southdown Housing who own the leasehold on the property at Arundel Road. There is currently a dispute over the level of the annual management charge. Additional amounts may become payable in this regard, but at present this liability can not be accurately valued and therefore has not been included in the accounts.

21 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	14,074	19,185
Between two and five years	15,300	31,533
	<u>29,374</u>	<u>50,718</u>

Total lease payments made during the year amounted to £13,545 and these are included within the appropriate category of expenditure in the Statement of Financial Activities.

EASTBOURNE & DISTRICT MENCAP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

22 Related party transactions

Transactions with related parties

During the year the total donations received by trustees amounted to £Nil (2020: £Nil).

Some trustees have close family members who are residents/users of the charity's services, and one of the residents is also a trustee of the charity. The board have decided it is in the charity's best interest for a resident to be a part of the board so that they can adequately meet the needs and requirements of the residents. In these instances the standard rates are charged to these individuals.

23 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	469,198	(69,054)
Adjustments for:		
Investment income recognised in statement of financial activities	(117)	(651)
Gain on disposal of property, plant and equipment	(293,033)	(700)
Depreciation and impairment of property, plant and equipment	89,628	39,302
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(702,964)	31,031
Increase/(decrease) in trade and other payables	163,661	(9,928)
Cash absorbed by operations	(273,627)	(10,000)

24 Analysis of changes in net funds

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	311,325	(30,508)	280,817
Loans falling due within one year	-	(8,333)	(8,333)
Loans falling due after more than one year	-	(41,667)	(41,667)
	311,325	(80,508)	230,817